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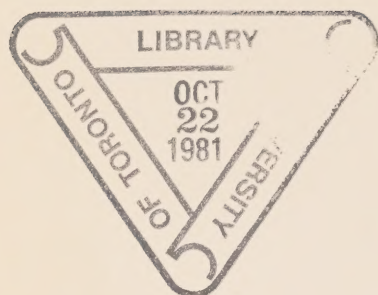
Maoism and Modernization

Questions that Arise on Détente

Examining the Kissinger System

Canada and the EEC

Nonaligned Strive for a Role



International Perspectives

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China confronts the tensions of Maoism and modernization

William G. Saywell

After a decade of studying and teaching about China, I finally crossed the border in July 1972, destined for Peking and a year of diplomatic service with the Canadian Embassy. My feeling of elation surmounted the trip from Hong Kong to Peking — undoubtedly the world's most unnecessarily protracted journey. I soon learned that my language teachers had failed to underline the importance of two Chinese expressions, *deng-i-deng* ("wait a moment") and *xiu-xi* ("have a rest"). I was soon making a mental apology to all those "Old China Hands" whose oft-heard comments on the different Chinese concept of time I had long questioned.

The sense of euphoria that gripped me during the course of that long journey lasted many weeks, and survived the frustrations and problems encountered by the foreign resident getting established in Peking. The China of which I got my first glimpse was very much the China I had pictured, the land about which I had thought, and the country whose present government I, among others, had long publicly urged Canada to recognize.

It is a society which quite literally has been raised from the dust-bin of history from a century of imperialist aggression, peasant rebellion, revolution, warlordism, Japanese occupation and civil war — to its present position. Today it is a unified, modern and developing society. The China of only a generation ago, in which the masses lived near or below the subsistence level and in which famine brought death or proximity to countless millions, has been radically transformed. In today's China, a quarter of mankind is assured of a decent livelihood, has a new sense of dignity and a renewed sense of national destiny. This alone marks the monumental transformation brought about by the Chinese Revolution — beyond doubt one of modern history's most momentous events.

Mao Tse-tung, and before him Sun Yat-sen, borrowed from China's ancient classics an aphorism with which to depict the potential benefits of China's poverty

and backwardness. China, they both wrote, was a "blank page", but upon a blank page the most beautiful of pictures could be painted. Both leaders shared with many of their generation what one historian has called a "Great Leapist" tendency — a feeling that, partly because of China's economic backwardness, it could leap into the twentieth century unshackled by the web of social injustices that in the West emerged as the corollary of industrial revolution. China had before it the lessons of Western capitalism, as well as its technology, with which to escape social injustice while modernizing.

Basis of nationalism

In part, their quest, like that of all twentieth-century Chinese leaders, sprang from the bedrock of nationalism that all shared. China, once the greatest of empires, was more than simply a nation. It could be rebuilt as a truly great civilization. Confucian or Communist: the world view implied a faith in the universality of the ideological underpinnings, however radically different were the ideologies themselves and the societies they supported.

If the "blank-page" image may be pursued, there is no doubt that the Chinese Revolution has painted a picture of the most sweeping dimensions. Although it remains unfinished, Western observers, have tended to colour it black or white.

Dr. Saywell has returned to his post as chairman of the Department of East Asian Studies at the University of Toronto after a year spent in China. He was seconded to the External Affairs Department for a year from mid-summer 1972 to August 1973, serving as Sinologist and First Secretary at Canada's Embassy in Peking. Dr. Saywell's main area of research interest has been in the history and politics of twentieth-century China and, in particular, Chinese nationalism and contemporary Chinese foreign policy. The views expressed in this article are those of the author.

*For Mao Tse-tung,
Chinese society
like a series of
contradictions*

From the Dullesian days of Cold War caricatures painted from afar in almost solid blacks, Western observers — often the same ones — have switched to pure whites. A former Canadian political leader called his trip a visit to Utopia. A leading Australian banker and lay preacher returned with public exclamations that Mao had surely been appointed by God! The truth is that China, like all societies, covers the whole colour spectrum, in which for the most objective, and indeed the Chinese themselves, the predominant tones are various shades of grey.

To Mao, Chinese society, like history generally, is a series of contradictions, the resolution of which creates change. For the objective foreign observer, China is a host of contradictions the current meaning of which often eludes all but the most superficial or polemical comprehension, and whose ultimate resolution defies prediction.

Take, for example, the nature of Chinese politics, particularly since the Great Proletarian Cultural Revolution (GPCR). China is often defined as a “mass society” in which power and policy moves “from the masses, to the masses”. There is much about the definition that is true. The Chinese Communist Party (CCP), the network of auxiliary organizations at the “grass-roots” level, the organizational structure of communes and factories and the decentralization of the economy generally, do provide a political structure through which the masses can influence policy implementation and thereby indirectly policy itself. The conception of *hsia-fang* — sending urban *élites* down to the countryside to work with the peasantry — is a revolutionary device for bridging the inevitable gap between the masses and their leaders.

Controlled society

Criticism and self-criticism, long enshrined as hallmarks of the Maoist political strategy, and mass campaigns do allow a unique kind of mechanism for reflecting the mood of the people, shaking up the bureaucracy and injecting a genuine element of mass “input” into the political equation. And yet each of these and other political techniques have their other side — have their risks and potential resentments. For at the base remains the fundamental contradiction — China is also a highly-controlled society.

The Shanghai student hopeful of attaining a higher education and capable of succeeding may well be sent instead to the distant frontiers of China as a peasant or worker. The Canton driver may be

directed to leave his family to work indefinitely in Sian or Peking. When the state directs, the masses obey. When the hero of yesterday suddenly becomes the villain of today, history is rewritten — the revision accepted. Could it be otherwise? Are the contradictions more apparent than real or do they in turn create tensions as volatile as the achievements they create are visible?

Undoubtedly, the greatest contradiction of all is the basic quest for rapid modernization and industrialization without an erosion of revolutionary commitment — the tension between “Red” and “expert”. Can ideological purity survive the complexities of modern society? Can the political perspectives of the ideologue co-exist with the administrative concerns of the bureaucrat and the economic and technical priorities of the manager? Is the human mind so malleable that the “New Socialist Man” can be created — at once patriot and producer, motivated only by the selfless pursuit of the collective good? Or is he inherently acquisitive and self-seeking? Does modernization lead to the fuller liberation of man, or does it inevitably leave in its wake social injustice and waste? When revolutionary fervour fades can it be rekindled, or do revolutions, by definition, ultimately die?

These and other fundamental political, and indeed philosophical, questions remain basic concerns of Mao Tse-tung. Conscious or unconscious, explicit or implicit, they, along with the power struggles of those who answered them in different ways, were at the root of the Cultural Revolution. With education halted, production disrupted and the Chinese Communist Party decimated, China emerged from the Cultural Revolution perhaps having come dangerously close to national disintegration. China entered the Seventies with a host of veteran leaders dismissed or disgraced, a heavy military hand in the new power structure, and a constitutionally-designated heir-apparent (Li Piao) bent on a Napoleonic venture that, if attempted, we are told, the assassination of Mao but was destined to failure, flight and the plotter's own death.

Scars were left

If the Cultural Revolution succeeded in throwing out of power those who were taking the “capitalist road” and led more revolutionary policies, particularly in areas like medicine and education, it left its scars as well. Far from eliminating “bureaucratism”, one of the leading evils it attacked, the Cultural Revolution may have created the danger of a critically indecisive bureaucracy. Policies and pow-



AP Wirephoto from Hsinhua

Mao Tse-tung, leader of the People's Republic of China, is shown on the podium at the Chinese Communist Party's Tenth National Congress in Peking last August. The dramatic development at the congress was the announcement of the appointment of Wang Hung-wen, a relatively young party leader, to the Number Three position in the Chinese Politburo.

and swung back and forth too rapidly to promote the kind of confidence required by the lower-level official to make a decision even on the simplest of issues. Would the line of today remain that of tomorrow? Decisions of an administrative nature were delayed at lower levels lest they involve implications of policy that might be questioned, if not immediately then later. The Cultural Revolution may well have made China's leaders more receptive to the needs of the masses. It is impossible for the foreign observer, even at close quarters, to judge with confidence. Although tried, the Cultural Revolution did not, however, provide a remedy for that other malaise of modern bureaucracies, "bureaucratism".

Despite the risks involved in any political upheaval as massive as the Cultural Revolution, Chinese leaders today speak more to come in the future. As long as Mao lives, or those committed to his revolutionary ideals survive in power, or close to it, periodic attempts at the same thing are likely. But those of the future are unlikely to emerge on the same scale. They are much more likely to resemble the "mass campaigns" of earlier years than the total upheaval represented by the GPCR.

The political, economic, social and foreign policies of Peking since 1969, and particularly since 1971, reflect both the shortcomings and costs of the Cultural Revolution. But at the same time they point to the continuing tensions and contradictions that may well make more cul-

tural revolutions in the future inevitable.

The main thrust of political activity in China during the post-GPCR period has been the rebuilding of the Chinese Communist Party. The successful completion of that, at least at the central level, and the frenzied activity in recreating its auxiliary organizations — particularly the unions, the Chinese Communist Youth League, peasant associations and, less successfully, the Women's Federation — was symbolized by the convening of the Tenth Party Congress in August 1973. A corollary of this shift in power back to the Party has been the accelerated rehabilitation of veteran Party cadres, climaxed in April 1973 by the reappearance of Vice-Premier Teng Hsiaoping, once labelled "the other power-holder in the Party taking the capitalist road".

Impact of Tenth Party Congress

The Tenth Party Congress also represented the personal achievement of Premier Chou En-lai, whose policies and priorities, both foreign and domestic, have largely shaped the path of the PRC during this period. The moulding of a new coalition of essentially moderate civil and military leaders, with a modest infusion of "new blood", combined with the diminished stature but not disgrace of some of the leading radicals like Chiang Ching and Yao Wen-yuan, was a remarkable accomplishment.

The most dramatic surprise of the Tenth Party Congress was the appointment to the Number Three position in the new inner circle of Wang Hung-wen. At 38, Wang is literally separated by a generation from Mao, Chou and most of the other top leaders. His appointment was both symbolic and substantive. It represented to the masses, and particularly the young, that the inner circle is not the preserve of veteran revolutionary leaders. In fact, however, the average age of the Standing Committee of the Politburo has gone up since the last Party Congress from 69 to 71 years.

To the workers, it provided a new link with the ruling *élite*, for Wang had come almost directly from their ranks. The radicals, too, must have taken some comfort from Wang's meteoric rise, not simply because of the role he played in the Cultural Revolution but also from his speeches at the Congress. While Chou En-lai talked of "struggles" yet to come, Wang referred to revolutions like the Cultural Revolution that would have to occur "many times in the future". But Wang's appointment was also substantive, for, in my opinion, he should be characterized not as a "radical" but rather as an astute politician and com-

The inner circle is no longer 'the preserve' of veteran chiefs

petent administrator. He is a brilliant man with great wit, charm and real charisma.

The rebuilding of the Chinese Communist Party may help provide a modicum of stability and a better constitutional and political base for the continuity of Chou's essentially moderate policies of state-building. It is also the prerequisite to whatever preparations are being made for a smooth succession. If China, with a fairly stable party at the helm, is given a few years of relative political quiet, continued economic development and even a fraction of its recent success in international trade and diplomacy, some type of collective leadership, which now appears to be the solution envisaged in Peking, may be feasible.

The past two or three years have also seen a swing back to more orthodox models of development and pragmatic policies of economic production. Economic decentralization, motivated as much by demographic, social and military concerns as by economic ones, is likely to remain a cornerstone of Chinese Communist Party policy. However, recent trends have revealed Peking's desire to escape the problems of excessive decentralization by placing more emphasis on the larger regional, rather than local, unit for purposes of planning, co-ordination and capital expenditure. In industry the swing from "Red" to "expert" continues, marked by a greater stress on managerial control. At the production level, work points are being given for work performance rather than political attitudes, and greater room is being provided for material incentives now labelled "reasonable rewards".

Foreign, economic policy links

In foreign policy, China's extraordinary international initiatives in the Seventies have been largely motivated by Peking's near-obsessive concern with the alleged "socialist imperialism" of the Soviet Union. But, both as cause and effect, China's new international position also has a vitally important relation with its accelerated efforts at achieving a more rapid pace of economic development. And yet herein lies another contradiction, for, the more closely-linked China's own economy becomes to the forces of the world market, the more difficult it will be for Peking to sustain the same political priorities.

To what extent will increased purchases of whole plants, and the use of deferred payments, erode the commitment to the nation's most proudly boasted socialist ethic — "self-reliance"? Will the more rapid modernization of Chinese industry, increasingly dependent upon trade

with Japan and the West, affect agrarian policies? To what extent also might it gradually disrupt one of the present levers of social and economic equality and stability — the over-employment apparent throughout much of the industrial and service components of the Chinese economy?

Will China's concern with developing too great a dependence upon the inflation-ridden economies of the West and Japan force it to diversify its trade, placing more emphasis on the Eastern bloc, with possible far-reaching consequences in its foreign policy?

Possible ideological confrontations

These are all imponderables. The point is that all these policies and shifts in policy emphasis create tensions between the thrust toward modernization and the commitment to revolution. Will they lead to renewed ideological confrontations within the leadership? Did the striking contrast between the speeches of Chou En-lai and Wang Hung-wen at the Tenth Party Congress foreshadow precisely this? Will an accelerated pace of modernization provoke again the need to rekindle the fires of revolution?

The swing away from the more radical policies of the GPCR, particularly during the past year, has been equally striking in other areas. In literature, a wider variety of offerings has emerged, including the reappearance of some traditional novels. In the arts, "socialist realism" no longer has a stranglehold on theme and form. Although Madame Mao's "revolutionary model operas" still hold sway in that field, the resurgence of traditional Chinese music and, in Peking, Shanghai and Canton, concerts by Western symphonies have afforded greater cultural diversions for some Chinese. The Party's theoretical journal *Red Flag* has called for a greater variety in "life-styles" and the increase of colour in clothes, and even hair-styling, among urban women suggest a more relaxed social environment generally. In education, a general retreat from the high point of revolutionary change has been noticeable over the past year, with less emphasis on political criteria for university admission, more stress on examinations and an open questioning of the shortened university programs. These trends are being challenged. Here, in particular, the ideological debates continue to rage. Will they culminate again one day in a major upheaval of Cultural Revolution proportions?

One leaves China after more than a year's residence with a deeper appreciation of the extraordinary achievements of the Chinese Revolution. And yet one al-

Peking initiatives in foreign policy largely spurred by its concern over 'imperialism' of Soviet Union

departs with a greater awareness of the continuing problems the country faces and sense of its weaknesses as well as of its strengths. One leaves with more questions than answers. This is, perhaps, as it should be, for there is much about China that is open-ended, and perhaps even more that the Westerner simply cannot comprehend. China has confronted in a way unknown to any other modern society fundamental

human and social issues. It has met head-on perhaps the most momentous of all contemporary problems — the inherent tensions between revolutionary social change and economic modernization. It may well be tackling the most basic of questions concerning the very nature of man — with what future consequences only the most foolhardy would predict.

The Trudeau visit to China

Showing Canada no carbon copy of U.S., a key goal in Peking

by Claude Turcotte

It is always risky to attempt to anticipate the historians in assessing the real significance of events that have only just happened. Nevertheless, I am tempted to play this dangerous game, and try to imagine what will be the lasting results of Prime Minister Pierre Trudeau's trip to the People's Republic of China. The fact that Mr. Trudeau was the first head of the Canadian Government to make an official visit to China is, of course, the first thing to be noted, since this, at least, is easily established.

Beyond this, we enter the realm of hypothesis. It may one day be said that the Prime Minister's October 1973 trip to China was a vital move in the development of diplomatic and trade relations between Canada and the Pacific countries. It may also be said that, by its initiative in recognizing the Peking government in 1970, Canada played a useful role in normalizing relations between revolutionary China and the Western countries, and that this trip was a determining factor in the orientation of Sino-Canadian relations. For the time being, however, we must, unfortunately, be content to look at things in closer range, and from this perspective there is no doubt that the trip to China by Canada's Prime Minister was a success.

This is supported by all the official and unofficial statements made during and after the trip, including the comments made by the representatives of all political parties in the House of Commons.

It can be said with equal confidence that the Chinese received the visit with warm and sincere friendship, from Chairman Mao Tse-tung, who had a long talk with Mr. Trudeau, to the peasants who showed their goodwill by appearing along the roads of China to greet this group of visitors from a distant land. The fact still remains, however, that the most lasting ties between China and Canada will be those based on mutual interest.

During the period between 1970 and 1973, Canada and China had enjoyed excellent relations, and it therefore seemed appropriate to analyze these relations more thoroughly and give them more substance. The visits by several ministerial delegations to Peking had already helped

Mr. Turcotte has been chief parliamentary correspondent in Ottawa for Montreal's La Presse, Canada's largest French-language daily newspaper, since 1968. He has written numerous commentaries and series on national and international issues. Before coming to Ottawa, he was La Presse legislative correspondent in Quebec City for two years and worked earlier for Le Soleil. In addition to accompanying the Prime Minister on the China trip, Mr. Turcotte covered External Affairs Minister Mitchell Sharp's tour of Indochina in March 1973 at a time when Canada was a member of the International Commission of Control and Supervision in Vietnam.





C.P. Photo

Banners greeted Prime Minister Pierre Trudeau and Mrs. Trudeau on their arrival in Peking for the prime ministerial visit to China in October of last year. Welcoming Mr. Trudeau and other members of the visiting Canadian delegation

was Chinese Premier Chou En-lai (centre). During his week-long visit (October 10-17), the Prime Minister held a series of discussions with the Chinese Premier and had a long conversation with Chairman Mao Tse-tung.

pave the way for this process, but it is evident that, during this trip, the conversations of Prime Minister Trudeau and Premier Chou En-lai, as well as the discussions in four committees of officials, resulted in considerable progress toward mutual knowledge and understanding.

Potential market

We already have a fairly clear idea of the reasons for Canada's desire to strengthen its friendship with China. Like other Western countries, Canada sees China as a considerable potential market. There is wheat to be sold, of course, but there is also the technology Canada can offer the most populous country in the world, the developing country that probably shows the strongest determination to catch up with the industrial nations.

The agreement signed in Peking after four days of talks exceeded all the expectations of the Canadian Government. Like all good negotiators, Mr. Trudeau and his *entourage* arrived with a set of specific proposals, but there was no guarantee that the majority of them would be accepted by the Chinese. They were aimed essen-

tially at the establishment of exchange mechanisms.

The Canadians returned not only with exchange mechanisms but also with several specific exchange programs. More had been obtained than expected. There was the three-year trade agreement, including the establishment of a joint trade committee that will meet annually. An understanding was also reached in the field of immigration, aimed at reuniting families and at facilitating and extending consular relations. There was great interest in Chinese co-operation in medicine largely because of our desire to adapt acupuncture to Canadian use. To the Western mind, this technique has seemed as mysterious as China itself.

Finally, Canada concluded exchange agreements on the arts and on sport. The Vancouver Symphony Orchestra will be the first to benefit from this. In addition, certain Group of Seven paintings and nineteenth-century landscapes will be exhibited in China. Exchanges of professors and students are also planned, although on a rather modest scale to start with—20 students in two years. Canada will

Accord embraced exchange plans, provided more than expected

onate 150 books on history and literature over a period of five years, but China has refused a book-exchange program. Concerning sports, the Chinese want to revive Canadian gymnastic, figure-skating and swimming teams. In exchange, they will send Chinese boxing, basketball and volleyball teams.

The Canadian representatives were pleased with these Peking agreements, but there seemed to be some doubt as to how they would work out in practice. The trade agreement did not incorporate any specific commitment, and here, as in immigration and medicine, the subsequent attitude of the Chinese must be known before any definite conclusions can be drawn. What the Canadians are saying at the moment seems to be that China is defining a new type of relations with the West and that these are merely the opening moves.

Image of Canada

Canada certainly has a role in the power-play between Washington, Moscow and Peking, but it is not yet clear exactly what it is. When I asked Canadian officials what they thought China's image of Canada was, they seemed unable to give a definite answer. The Chinese seem to have drawn the veil on this subject, as on many others. However, these officials did feel that the Chinese might view their new relations with Canada as an experiment that would provide them with valuable insights into the attitudes of the other Western countries.

When I asked the Chinese (interpreters, reporters and table companions) the same question, their answers were always much more vague and could be roughly summed up as follows: "China wants to maintain good relations with Canada because Canada is a friendly country; all countries, large or small, are on the same footing." Several of them then went on to add that, as a reporter, I had a very great responsibility in promoting friendship between the Chinese and Canadians; and, indeed, one thing the trip taught me is that the Chinese know almost as little about the Canadian way of life as Canadians know about life in China.

In fact, almost all the Chinese with whom I came into contact asked me as many questions about Canada as my colleagues of the press and I asked them about their country. The same curiosity was found at the official level. Chairman Mao Tse-tung and Premier Chou En-lai asked Mr. Trudeau many questions about Canada, such as its geography, climate, the Arctic, French-speaking Canada, and

so on. In short, progress continues on the path towards mutual understanding.

Stepping-stone to U.S.

In any case, in the present international context, in which President Richard Nixon often seems to be better appreciated in Peking than in Washington, it seems that China regards Canada as "a window on the Western world" and, more specifically, as a stepping-stone to the United States. I was given to understand that Chang Wen-chin, present Ambassador of China to Ottawa and one of Premier Chou En-lai's chief advisers, will be the first Chinese Ambassador to Washington. Someone even remarked to me before the visit that he was not sure that the Chinese saw the difference between Canada and the United States. It can be assumed, therefore, that one of Mr. Trudeau's main objectives was to show the Chinese that Canada is not a carbon copy of the United States.

Among the factors that led China to choose Canada as a testing-ground when it opened the door to the West, were of course, the memory of Dr. Norman Bethune, the wheat sales in the 1960s, and — in particular — the presence of Pierre Trudeau as head of the Canadian Government. This was Mr. Trudeau's third trip to China. The first time was in 1949, when he wanted to get a close-up view of the revolution. In 1960, he returned with a group of Montreal friends, and subsequently wrote a book in collaboration with Jacques Hébert entitled *Two Innocents in China*.

When he returned to China 13 years later as Prime Minister, Mr. Trudeau found that his opposite number, Chou En-lai, had taken the trouble to read this book. At a banquet in Peking, the Chinese Premier said in a toast to Mr. Trudeau that he was "an old friend of China". Some Canadians had the very strong impression during the Peking talks that the Chinese wanted to establish a "personal relationship" with Mr. Trudeau, in a somewhat similar fashion to that between the Soviets and industrialist Cyrus Eaton in the past, and all were gratified at the frankness with which Chou En-lai spoke of his country's development, as well as of his government's present-day concerns at the foreign as well as the domestic levels.

Reporters had little opportunity to probe major international problems during the trip. We should have liked to discuss the United States, the U.S.S.R., Vietnam, Cambodia, Japan, Cuba and so on, but there were too many questions to be asked

China appears to see Canada as stepping-stone to United States

Impression grew during talks that Chinese aimed at creating 'personal' links with Trudeau

about China and too much to see and discover. However, it was obvious that the Chinese still have a bitter memory of that period when the U.S.S.R. participated with them in the first phase of the Communist experiment in China — and the subsequent Sino-Soviet rift. Today the

Chinese regard the Soviets as no different from the other countries that invaded their country at one period or another during their long history. The only possible difference is that they are even more resentful about the U.S.S.R. precisely because it was to have participated with

Prime Minister looks at China...

The excerpt that follows is taken from a statement made by Prime Minister Pierre Trudeau on October 13, 1973, during his visit to China in that month. It deals with the Prime Minister's discussions on world affairs with Chinese Premier Chou En-lai and follows Mr. Trudeau's review of the Sino-Canadian agreements in the fields of trade and economics, medical science and health care, science and technology, consular affairs, and in cultural, academic, sport and media exchanges. The following is the excerpt from the section on world affairs:

... The format of the discussions was proposed by the Chinese side. They began with a statement by myself of the Canadian viewpoint on a wide range of subjects both of a general nature and of particular interest to the two countries. The most obvious matters were those currently occupying the attention of governments everywhere, including the situation in the Middle East, the problems of newly-emerged and emerging countries, the movement toward an accommodation in Europe and the world situation in respect of energy resources and food supplies.

In these, as in other matters, I took the opportunity of explaining to the Premier the particular attitudes which arose out of Canada's unique geographical and historical position in the world and the Government's policies relating to them. Premier Chou displayed considerable interest in my presentation of the Canadian world outlook, particularly in matters relating to Canadian participation in NATO, and other international groupings such as the Commonwealth and l'Agence de Coopération culturelle et technique. He also enquired about Canadian attitudes toward the Law of the Sea Conference and about Canada's pollution-prevention zones in the Arctic, and about our energy policies.

For his part, Premier Chou pre-

sented with great clarity the views of his Government on issues of particular concern to China. I also explained to Premier Chou that, with one great power to our south and another to our north, it was natural that Canada should exert special efforts to establish and maintain close and friendly relations in other parts of the world. To the east, we are concerned with safeguarding and improving our relations with the countries of Europe, but equally it was important for us also to look west to the countries of Asia and the Pacific for co-operation and understanding. I was at special pains to point out that our relations with the United States were good and must necessarily remain so, that the American relationship would obviously continue to form a vital part of our foreign policy. It was no reflection on any of our existing relationships that we were seeking to establish and improve our contacts in other parts of the world.

Premier Chou and I agreed that, although there were factors that prevented us from seeing the same events in precisely the same light, our respective points of view were at least understandable to each other and often very similar. Speaking for Canada, I was able to assure him that friendship for China was and would continue to be an important element in our foreign policy. ...

The statement of October 13 was followed by Mr. Trudeau's statement to the House of Commons on October 19, after his return from China. Excerpts from this statement follow:

One of the main objectives of any visit by a head of government, whether a Canadian travelling abroad or a prime minister coming here, is to ensure that each country understands the policies of the other and the circumstances which give rise to those policies. It is seldom possible to come to agreement

China in spreading the light of Communism throughout the world.

This political schism has produced the Chinese a deep feeling of bitterness toward the Soviet Union, which, in their view, has abandoned the precepts of its masters Marx, Engels, Lenin and Stalin,

all of whom are still very much alive in spirit in the libraries and public squares of the country of Mao. The Chinese are quick to point out that the West, including Canada, would be well-advised to be on its guard against the Soviets' "show of friendliness".

on the wisdom or the effectiveness of all policies, nor would one expect that this could be the case in a world in which the vagaries of history, the realities of geography, and the variations of social systems lend distinctive directions and points of view to governmental policies.

What I found most heartening, however, in my discussions with the Chinese leaders, was their understanding of, and sympathy for, Canada's foreign policy. In particular, I was not subjected to any demands that future Canadian relations with China would depend for their warmth on our attitudes toward any other country. I stated in Peking, both in the privacy of conversation with the Premier and on public occasions, that Canadian foreign policy sought to avoid tension, to strengthen the institutions of international co-operation and to assist the economic development of the newly-independent countries. I said as well that, in my belief, the true measurement of national greatness was found not in military might or in political ceremony but in the willingness of a country to recognize the importance of individual welfare, human dignity and a sense of personal accomplishment and fulfilment.

Many of the issues which were discussed with the Chinese leaders, and in the several committees of officials that were established during the course of the visit, reflected these beliefs and the desire of Canada to expand its international trade. . . .

Cannot be ignored

... My visit to China, Mr. Speaker, leaves me without any doubt of the wisdom of the decision of the Canadian Government to reverse the long-standing policy of ignoring the People's Republic of China. Because that immense country of talented and industrious people will have an increasing impact on world affairs, and, because a

strengthening and enriching of the bilateral relationship between Canada and China can be beneficial to Canadians, that decision was right and will increasingly prove to be right. The presence of China in the United Nations and in other international councils makes it vital that Canada's interests and Canada's views be understood and, hopefully, supported by the Chinese Government. It will be of increasing advantage to Canada that Canadian leaders have opportunities to explain Canadian attitudes and policies to Chinese decision-makers just as — amongst many things — I exposed to Premier Chou the positions Canada will advocate at the forthcoming Law of the Sea Conference.

I was heartened again and again by the genuine friendship extended toward Canada and Canadians by the leaders and the people of modern China. I am confident that the diversification and enjoyment of our new ties with China will not interfere with the long-standing friendly relations which we enjoy with those several countries with whom we have special ties. Nor will it detract from our efforts to seek, to our advantage, the easing of tensions and the increase of contacts with other parts of the world.

It has not been the vastness of the Pacific that has acted as a barrier between Canada and China. The gulf has been found all too often in the minds of those of us who were unwilling to recognize the magnitude of one of the most significant revolutions in the history of the world and the extension of basic human amenities to hundreds of millions of persons to whom they had been denied for millennia.

The name of Canada is held in high respect in China, Mr. Speaker, and as a consequence Canadians are beneficiaries. It is the aim of this Government that this reputation, and those benefits, increase and continue.

Be that as it may, the Canadian Prime Minister did not hide his admiration for China's political leaders, who, he said, "pursue the same objectives as ours — national development and the fulfilment of the individual". In saying this, he obviously did not intend to imply that he also agreed with the means used by the Chinese to attain these ends.

Personal impressions

Western travellers returning from a trip to China have always found it difficult to express their reactions to China and the Chinese and, even after 24 years of revolutionary experience, China has certainly lost none of the mystery it has always held for foreigners. I should say that the new China is probably even more fascinating than the old precisely because of this revolutionary flavour, the concrete expression of which is seen everywhere in China.

For a North American, used to neon lights, bikinis and the omnipresent automobile, "culture shock" occurs the moment one sets foot in China. Austerity, restraint and discipline are visible from the top of the passenger-steps of the airplane that has just set one down in Peking. Yet the Chinese are glowing with health, relaxed, and, outwardly at least, happier than the average Westerner. It seems to me that one explanation for this phenomenon might be the fact that in China the values of society are clearly defined and constitute a quasi-mystical ideal, whereas, in the West, almost all the traditional values have been shaken to their roots and diffi-

culties are being experienced in replacing them. China does not have this problem since the thoughts of Mao are used to provide an answer to every question.

What is more, there can be no doubt that the China of today has succeeded in breaking free from centuries of political, economic and social stagnation. It performs — among other things — the daily feat of feeding its 800 million inhabitants besides giving them increasingly-advanced education and health services. Above all, it provides work, and with it dignity, to this people that has known for too long the humiliations imposed by invaders and emperors who were more interested in their own glory and comfort than in national development.

Although resolutely refusing to resort to the use of foreign capital to speed development, China is making progress but at its own rate. It has already set up a useful infrastructure of roads, railways, irrigation canals and airlines. Currently it is placing stress on industrial and technological development, and it knows that Canada can help it in this area.

In its own way, China wants to give its people modern comfort and material prosperity. "Refrigerators? The Chinese would not ask for these today," remarks an interpreter, who, on another occasion said with absolute conviction: "We are going to catch up with the West." They will take their own time, but it seems to me that China's development has only just begun, and that its progress may well accelerate considerably in the near future.

It is symbolic of recent developments that presidents, prime ministers and emperors now visit Peking in a steady stream and represent a wide political spectrum. The leaders of the United States and Western Europe have made the pilgrimage, as have those of Iran, Greece and Ethiopia, to mention but a few — taking their places in the guest-rolls beside such "old friends" as the Albanians, North Koreans and North Vietnamese. Nor are the visits confined to political leaders. Americans, Europeans and Japanese from various circles, together with their counterparts from the Third World, come in great numbers as guests of China. Peking has become an international crossroads, with only the Russians and their closest supporters currently unwelcome. The mystique of Chinese authority and power is correspondingly enhanced.

Yet uncertainty continues to hover over the Chinese domestic scene. How could it be otherwise in a society of 800 million, still in the preliminary stages of its struggle toward political stability, economic modernization and social change? The big questions that relate to China's future remain unanswered and, more than that, unanswerable. On the political front the issues cover a wide gamut: the training of new élites in a society professing egalitarianism; authority relationships among centre, region and locality in a system with strong centrist proclivities; and, above all, the character of top leaders after the first-generation revolutionaries have passed from the scene . . . (Excerpt from *China and The Balance of Power*, by Professor Robert Scalapino, University of California, in *Foreign Affairs*, January 1974).

*Society's values
'clearly defined',
seem to mirror
'quasi-mystical'
Chinese ideal*

U.S.S.R in a changing world: questions that arise on détente

by Philip E. Uren

When destiny has brought up two nations to a future of similar invention and authority, and given to each a different tale of values; when the nations' architects and poets and painters have created for them opposing kingdoms of sound and form and subtlety, the universe knows that destiny wasn't preparing for alternative ways for civilization to flower. It was conveying the Dance of Death, letting loose the brutality and human folly which is all the gods are really contented by." *Tiger at the Gates* was ostensibly concerned with classical times, but Giraudoux was nevertheless speaking of something continuing and universal, seemingly out of date in a nuclear world but with us still.

When *The Communist States and the West* was published some six years ago under the auspices of the Soviet Studies Program at Carleton University, *The Times* of London quoted from it as follows: "... each side, for quite different reasons, developed oversimplified and emotionally coloured stereotypes of the other, which obscured the real nature of the conflict." The reviewer went on to comment that, when such a sentence can be written and accepted in Russian and Chinese as well as English, the end (of the conflict) will be in sight". It is the theme of these few pages that this devoutly-desired consummation remains at the far end of a receding rainbow.

Arbatov, writing in *Kommunist* in February 1973, had this to say: "The situation in the world in general leaves no room for the idyll of cloudless existence. The struggle going on in the world arena, the struggle not engendered by someone's whim but by clashes between real class interests and by objective laws governing present-day social development, is too acute and too complicated." He quoted Leonid Brezhnev's assertion that the world views and class goals of socialism and capitalism are opposite and irreconcilable" and referred to his efforts to "shift this historically inevitable struggle into a channel that does not threaten war". Ac-

cording to Arbatov, the obstacles to this happy process are "the intrigues of forces and groupings in the U.S.A. that have a stake in increasing tension and stepping up the arms race — the military-industrial complex, extreme right-wing elements, Zionist circles, etc". There are, needless to say, no such forces in the Soviet Union in spite of the "opposite and irreconcilable" character of "world views and class goals".

In a period of *détente*, it is perhaps bad form, not to say intellectually unfashionable, to point these things out. Yet what can one do with Professor Novikov of the Moscow State Institute of Physical Culture, who has been quoted in an interesting paper by Professor Riordan to the effect that: "... "given equivalent socio-economic conditions, the level of sports attainments of the socialist states is considerably higher than that of countries under the capitalist system. This is attributable to the fact that in a socialist society socio-economic factors are an index of the well-being of all members of society, while under capitalism they merely reflect the general socio-economic level with the simultaneous existence within the country of affluence for the few and poverty for the majority". This was put more bluntly by *Pravda*, when it said "the grand victories of the U.S.S.R. and the fraternal states convincingly demonstrate that socialism opens

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AP Wirephoto

Soviet leader Leonid Brezhnev invites U.S. President Richard Nixon to precede him to the podium as the Russian leader was welcomed to the White House in June of last year to begin their series of summit talks. Mr. Nixon had visited Moscow in May 1972, where a number of accords were signed that were designed, in the words of the President's report to Congress, to "turn away from the confrontations of the past quarter-century".

up the greatest opportunities for man's physical and spiritual perfection". In the words of *Punch*, "you might call the situation Kafkaesque, except that the name of Franz Kafka does not officially exist . . .".

Origins of détente

What, then, is the balance between the intuitive pessimism of Giraudoux and the calculated optimism of contemporary statesmen about relations with the Soviet Union? *Détente* has its origins in fear and disarray — fear of the dreadful possibilities of modern war, fear of China, disarray in the Western alliance prompted partly by the recovery of Europe and the resurgence of Japan, and disarray in the East European alliance, which has been held together by virtue of two military invasions in the last 17 years. *Détente* is manifested in efforts to achieve a balanced reduction of military forces, in increased exchanges in the areas of science and culture and in the expansion of trade. The uncertain hopes embodied in these developments are at least better than an "uncertain trumpet", and it is no doubt necessary to persevere, not so much because there is great reason for hope as because there is little alternative to it.

'Détente has its origins in fear and disarray...'

Few people know, and least of all academics, the intricacies of the military calculus, but it seems reasonable to assume that the Soviet Union is unlikely to reduce its military strength substantially as long as it has NATO on one flank and China on the other. If such a reduction does take place, it should be linked, in the Soviet view, with a guarantee of the *status quo* in Eastern Europe. The problem with this objective is that it is beyond the power of any group of statesmen, however willing to their agreement. If Vietnam has taught us anything, it should be that "no army can withstand the strength of an idea whose time has come". We may, if we wish, accede to Soviet demands for permanent boundaries that cannot be altered by any means and, secure in that achievement, reduce the forces that are assembled along them. We shall not thereby have increased Soviet security, for its insecurity lies in the nature of its empire and not in the precision of its frontiers — just as, in the view of some, the insecurity of the West may lie in the decay of its moral and social fabric. All of which is not to say that we should refrain from doing our best in the Conference on Security and Co-operation in Europe (CSCE) and seeking with all the ingenuity at our command a reduction of forces that might help to change attitudes in both societies in the talks being held in Vienna. It is simply to say that we should not delude ourselves into thinking that armed forces are the cause of the conflict and that stability will follow their reduction, however measured.

A second option is one to which the West attaches great importance — "freedom of movement". I hope I shall not seem obtuse or facetious if I fail to view with assurance the manner in which the shipping of thousands of Americans to the Soviet Union and *vice versa* will bring about "understanding". One could equally well argue, it would seem, that the opposite effect might be achieved. We are, it seems, imbued in North America with the notion that "to know us is to love us" and remain convinced that, if only we could get enough people in a position to report widely and accurately in the Soviet Union, and they would be on the path to mutual respect. This seems to overlook the fact that Brezhnev put so well when he said "our world views are irreconcilable" — it is, in short, fantasy. It is, nevertheless, also a dream we must follow because it is one of the few we have and it might come true.

Scientific, academic and cultural changes are in a different category and are very important in so far as they contribute to the merging of those "opposing kin-

doms of sound and form and subtlety". We must persevere with them for many reasons, not the least of which is that we may need to know in future that we did our best. In this connection, it is particularly important that we should not impose security restrictions, visa delays, etc., on a *quid pro quo* basis. Freedom of movement is something which is basic to our societies and should remain so. It is not to be bargained with, let others behave as they may. At the same time, we should not delude ourselves into thinking that any rapid or far-reaching results are likely from our efforts in this direction.

Finally, there is the question of trade and economic interdependence. This, it is said, may hasten the liberalization of Soviet society and bring about reforms that would be in the Western interest. It is, of course, equally arguable that our economic co-operation will strengthen the Soviet economy and retard the reform that its current performance suggests is necessary. At any rate, the mechanisms whereby IBM and Occidental Oil will achieve this improbable end have not been very well spelled out. Here again, one can only repeat that it seems a "reasonable hope", if an uncertain prediction, and that increased commerce may provide some identity of interest and some impetus toward change.

Little cause for optimism

It would thus appear that none of the usually-recognized elements in the *détente* offers much cause for optimism. There is a point of view, illustrated by Professor Franklyn Griffiths's excellent article in a previous issue of this journal (*International Perspectives*, September-October 1973), according to which Western policy should avoid antagonizing the Soviet Union, thereby avoiding any strengthening of its conservative elements, should not push Western objectives too hard but should, at the same time, encourage collaborative and reformist trends in the Soviet Union. These seem to be wise courses to

follow, Andrei Sakharov's warning notwithstanding. They are wise because they are the only ones civilized men can follow in the nuclear age.

This is not to say that they will be efficacious, because the differences at the heart of the matter are fundamental and have to do with one's conception of the nature of man. It is old-fashioned to make this assertion but, if it is true, no amount of arms reduction or travelling or trading will modify it very much. Change, if it comes, will come from within the societies concerned and no army will stop it or any outside force create it. It is to be hoped that it will come gradually, though that seems unlikely. In any event, as it gains momentum, the test of statesmen in the West will be to resist the temptation to meddle, something their Soviet counterparts find so difficult. If that temptation cannot be resisted, Giraudoux's pessimism may well be vindicated.

As I review what I have written, I am impressed by its arrogance, particularly at a time when a distinguished social scientist can assert that we do not know the rate at which the economy grew last year, when governments cannot predict energy supplies with any assurance for a few months and when even the future of our food supply is in some doubt. It is not a world in which a broad analysis of global trends is a comfortable task. Furthermore, my remarks may seem to reflect on the diligent efforts of statesmen and officials on both sides to resolve these difficult problems. It seems appropriate, therefore, to conclude with the disclaimer of Descartes that: "I could in no way approve of those rash and reckless individuals who, having been called by neither birth nor fortune to the management of public affairs, are nevertheless constantly reforming them in their mind. And if I thought there was anything in what I have written which might make me suspected of such madness, I would deeply regret its publication."

*Test for West
will be
to resist
temptation
to meddle*

... One should not overrate the degree of stability in international relations. The interests of the superpowers clash in the Far East, Southeast Asia, the Persian Gulf, Europe and Africa — everywhere, in fact, but Eastern Europe and the Western hemisphere, which seem to be tacitly exempted. The Arab-Israeli conflict was perhaps the most acute of the dangers threatening *détente*, but one could easily think of half a dozen crisis situations which may suddenly erupt....

... *Détente* rests not on a mood, not on goodwill, not on the convergence of systems, not on the sudden conversion of the Soviet leadership from Leninist to Gandhian principles. It rests on a certain equilibrium of forces; once the balance is upset, there will be no *détente*.... (Walter Laqueur, *Director of the Institute of Contemporary History in London*, New York Times Magazine, December 16, 1973.)

Scanning the broad implications of Sharp's trip to Soviet Union

By Henry F. Heald

Canada and the Soviet Union operate under two very different economic and political systems. Therefore exchange visits at high ministerial level are necessary not to exchange pleasantries about areas of agreement but to discuss seriously the areas of disagreement in the hope of better understanding each other's point of view.

That was the purpose that External Affairs Minister Mitchell Sharp carried with him on his visit to the Soviet Union from November 18 to 24 — his first visit to that country in 18 years and his first as a member of the Cabinet.

Mr. Sharp first visited Moscow in 1955, when he was Deputy Minister of Trade. He accompanied the then Secretary of State for External Affairs, Lester B. Pearson. The result of that meeting was the first Canada-Soviet trade agreement, signed in 1956.

Progress in international relations is measured in inches — an exchange agreement here, a protocol there, a wheat sale, a hockey tournament, a prime ministerial visit. Add them all together since 1956 and, while they represent a substantial change in Canada-Soviet relations, they can hardly be called a breakthrough. The Soviet Union remains a great, brooding, militarized giant under totalitarian rule.

This article will not attempt to review the increasing tempo of contacts between Canada and the Soviet Union over the last few years, culminating in the visit to Canada of Premier Alexei Kosygin and the visit of Prime Minister Pierre Trudeau to the U.S.S.R. in 1971. Some may prefer to

regard the 1972 hockey series as the culmination. (See *International Perspectives*, January-February and November-December 1972).

Despite the "upbeat" in interrelations, immigration from the Soviet Union remains a mere trickle, trade is sparse and Canada is still viewed as part of the Western camp — a spokesman in world affairs for NATO and the United States. There are signs of change in all those areas, but not enough yet to become excited about.

Mr. Sharp's recent visit was a more or less routine call, such as takes place among most nations. Soviet Foreign Minister Andrei Gromyko visited Canada in 1969, and Mr. Sharp was invited to return the compliment. He would have gone much sooner except for the intervention of such events as the FLQ crisis in 1970, a federal election and the emergence of a minority government. Mr. Gromyko and Mr. Sharp have met at the United Nations meetings in New York and other international gatherings in the interim.

Red-carpet treatment

The Russians gave Mr. Sharp a slightly higher class of red-carpet treatment than was expected for such a visit, and no one is quite certain why. A formal call on President Nikolai Podgorny was all the protocol required, but Mr. Sharp was also flown down to the Black Sea resort of Pitsunda for intensive talks with Premier Kosygin. The Soviet press covered his every move and his arrival in Moscow at the beginning of his talks with Mr. Gromyko were filmed for television.

Mr. Sharp said that the fact that he got to see both President Podgorny and Premier Kosygin was an indication that the Soviet Union attached considerable importance to good relations with Canada and that the Russians wanted to understand more about the Canadian views on a number of matters. It could indicate that they realize Canada speaks for itself in world affairs and not as an echo of the United States.



Mr. Heald has been a member of The Ottawa Journal's Ottawa parliamentary bureau for five years and its foreign affairs specialist. He accompanied Mr. Sharp on his November trip to the Soviet Union, and had previously covered sessions of the North Atlantic Treaty Organization in Brussels. He is a former city editor of the Welland, Ontario, Evening Tribune. The views expressed in this article are those of Mr. Heald.



Wide World photo from Tass

Secretary of State for External Affairs Mitchell Sharp chats with Soviet Foreign Minister Andrei Gromyko (centre) before their formal talks get under way in Moscow during Mr. Sharp's visit to the Soviet Union from November 18 to 24, 1973. After conferring with Mr. Gromyko, Canada's External Affairs Minister held

discussions with Soviet Premier Alexei Kosygin. At left: two of the Canadian officials participating in the talks — J. G. H. Halstead, Assistant Under-Secretary of State for External Affairs, and E. P. Black, Director-General of the department's Bureau of European Affairs.

A more cynical view, expressed by some in Moscow observers, was that the Kremlin had successfully courted France, Germany and the United States and was now extending its charms to a wider field.

Whatever the reason, it was clear that Mr. Sharp added a good deal of hard news value to the visit himself, with his determination to get past the niceties and talk about areas of disagreement.

He did it in all three of the chief areas of discussion. On the question of the reunification of families, Mr. Sharp not only pressed for action on specific cases of individuals who wanted to come to Canada but went on to raise questions of world-wide concern about Soviet emigration policies and its treatment of dissidents. Dealing with the Middle East situation, he made it clear that Canada offered its services to peace-keeping through the United Nations as a member of the world community, not as a representative of NATO or any other bloc. And, on the question of trade, Mr. Sharp told the Russians he thought it was time to start translating all the talk into hard contracts with Canadian businessmen.

The reunification of families is something Canada feels strongly about, and

Mr. Sharp was quick to express his appreciation for the progress made since Mr. Trudeau submitted the first list of 291 cases, covering 646 persons, in 1971. Mr. Sharp submitted an updated list with 266 cases, including about 50 spouses who had been separated for as long as 25 years.

In response, Mr. Gromyko assured him that the only barriers were administrative ones and promised to do what he could to expedite visas. Since the start of 1971, some 621 Soviet citizens emigrated to Canada, 332 of whom were on the lists.

Mr. Gromyko prefers to talk about visitors rather than immigrants and comes up with a figure in excess of 2,000. That is still pretty small when placed in Western terms of tourism.

Mr. Sharp was ready for the reaction when he went beyond the bilateral reunification of families into the Soviet treatment of Jews, Ukrainians and dissidents. He was not surprised when Mr. Gromyko told him that the Soviet Union didn't need Canadians to tell them how to run their country. He had predicted that very reaction in a news conference in Copenhagen *en route* to the Soviet Union.

He said then that legal arguments about human rights don't carry much

Gromyko reaction on dissidents was regarded as predictable

weight in Moscow. The Russians would merely counter — as, in fact, Mr. Gromyko did — with questions about poverty, unemployment and treatment of native peoples in Canada.

Yet Mr. Sharp's interjection appears to have borne some fruit. The final communiqué included the sentence: "Canada and the U.S.S.R. reaffirmed their readiness to contribute to the successful conclusion of the Conference on Security and Co-

operation in Europe as soon as possible and expressed their wish that the Conference would attain the goal of strengthening peace and security and extending co-operation and contacts between people."

So the Soviets did allow themselves to be committed on paper, in a multilateral context, to the principle of greater contact between people.

Turning to the Middle East conflict

Canadian-Soviet relations...

Following are excerpts from the joint communiqué issued by Canada and the Soviet Union at the close of External Affairs Minister Mitchell Sharp's visit to the U.S.S.R. on Nov. 24, 1973:

The discussions took place in an atmosphere of frankness, cordiality and mutual understanding, in keeping with the good-neighbourly relations between Canada and the U.S.S.R. Both sides noted with satisfaction the steady expansion of Canadian-Soviet relations in recent years and the particular emphasis given to their development by the exchange of visits in 1971 between the Right Honourable P. E. Trudeau, Prime Minister of Canada, and Mr. A. N. Kosygin, member of the Politburo of the Central Committee of the CPSU and Chairman of the U.S.S.R. Council of Ministers. They emphasized that the agreements and arrangements concluded in 1971 placed relations between Canada and the U.S.S.R. on the foundation of the principles of peaceful and mutually beneficial co-operation. They also provided a strong and constructive base for the further general development of Canadian-Soviet relations in the fields of foreign policy, trade, economics, science and technology, as well as in the fields of education and culture.

Both sides particularly noted the usefulness of the Canadian-Soviet Protocol on Consultations of May 19, 1971. Being guided by the goals of this protocol, both sides spoke in favour of more extensive and regular use of its possibilities for further expansion of political consultations on important international problems of mutual interest and on questions of bilateral relations.

Both sides confirmed their intention to make further efforts, in a spirit of reciprocity and mutual benefit, to give added substance to existing accords

and understandings between the two countries and to expand co-operation in various fields.

Both sides noted with satisfaction the further increase of contacts between government and political leaders of both countries, between representatives of commerce, science and technology, culture, non-governmental organizations and between tourists. Both sides expressed their mutual intention to deepen these contacts further.

Both sides reviewed the progress made in their joint efforts to expand co-operation in economic, scientific and technological fields under the Agreement on Co-operation in the Industrial Application of Science and Technology signed on January 27, 1971. It was agreed that the implementation of arrangements made at the third session of the mixed commission that took place in Moscow in October should lead in the near future to concrete economic results to the benefit of both sides. Both sides also believe that there are considerable possibilities for further expansion of mutually advantageous trade between Canada and the U.S.S.R.

Both sides were pleased to note that exchanges and co-operation in scientific, cultural and other fields have been increased and enhanced by the General Exchanges Agreement between the two countries. They looked forward to positive results from the mixed commission established under that agreement, which is scheduled to hold its second session in December in Ottawa in order to draw up an agreed program of exchanges for 1974-75. Confirming the importance attached to the Arctic regions of Canada and the U.S.S.R., both sides agreed that opportunities exist for greater co-operation in this field on the basis of mutual interest.

Mr. Sharp expressed his surprise that the Soviets didn't make use of the Protocol on Consultations — signed by Mr. Trudeau and Mr. Kosygin in 1971 — to discuss with Canada the new United Nations emergency peace force before demanding that Poland be included as a Warsaw Pact counterpart of Canada.

Mr. Gromyko appeared to back down on that one. He said there had been a misunderstanding. He hadn't realized that

UN Secretary-General Kurt Waldheim had invited Canada to provide the logistics component.

There was no disagreement between Canada and the U.S.S.R. on the need to make the Middle East ceasefire work and the importance of a lasting settlement fair to both sides. On the other hand, there was no doubt that the Soviet Union was firmly committed to the Arab view of the affair. Since the Arabs rely on the U.S.S.R.

During the exchange of opinions on international problems the ministers expressed their conviction that the determining trend in the present development of international relations is the deepening process of relaxation of tension, consolidation of security, and peaceful co-operation between states. They expressed the intention of the Canadian and Soviet Governments to act in every possible way to promote the consolidation of this trend to secure a lasting and stable peace.

The two sides agreed that the first stage of the Conference on Security and Co-operation in Europe which took place in Helsinki had provided a good basis for the second stage of the negotiations now going on in Geneva. They attach great importance to these negotiations and think it necessary that they should be continued in a constructive spirit and business-like manner. Canada and the U.S.S.R. reaffirmed their readiness to contribute to the successful conclusion of the Conference on Security and Co-operation in Europe as soon as possible, and expressed their wish that the conference would attain the goal of strengthening peace and security and extending co-operation and contacts between people in Europe. They believe that successful completion of the second stage of the conference should make possible the holding of its final stage at a very high level.

Both sides noted with satisfaction the opening in Vienna on October 30 of the negotiations on mutual reduction of forces and armaments and associated measures in Central Europe. They agreed that these negotiations constituted an important element in the continuing process of relaxation of tension and increasing co-operation in Europe. They believe that the indis-

pensable condition for obtaining mutually acceptable decisions in these negotiations is to observe strictly the principle of ensuring undiminished security for all participating countries

With respect to the situation in the Middle East, satisfaction was expressed over the ceasefire and cessation of military operations in this area. The ministers expressed the determination of Canada and the U.S.S.R. to promote, together with other countries, the establishment of a lasting and just peace in the Middle East on the basis of a prompt, immediate and consistent fulfilment by all sides participating in the conflict of the appropriate resolutions adopted by the Security Council of the United Nations, namely 242 of 1967, and 338, 339 and 340 of 1973.

Both sides believe that the decision by the United Nations Security Council to despatch a United Nations Emergency Force to the Middle East, under its guidance, should contribute to the normalization of the situation in this area in accordance with the Security Council decisions.

Both sides declared their resolution to promote the increased effectiveness of the United Nations on the basis of the strict observance of its Charter. Both sides believe that the main efforts of the United Nations must be directed to the maintenance of international peace and security and to the development of fruitful co-operation among states

Canada and the U.S.S.R. proceed from the fact that the development of friendly relations and co-operation between the two countries meets the interests of the Canadian and Soviet peoples and is an important contribution to the consolidation of world peace and security

as the main supplier of arms, whether or not the ceasefire holds is very much in Moscow's hands.

The communiqué contented itself with endorsing a settlement on the basis of the United Nations Security Council resolutions; that amounts to an agreement to disagree, since the resolutions have been given different interpretations by the different parties involved.

Trade arena

Trade — getting it beyond talks to contracts — was raised with all three of the leaders Mr. Sharp met, but with Mr. Kosygin he got down to details. Even though Mr. Kosygin is considered the economic genius among Soviet leaders and the man who is pushing for technological development, the details of trade with Canada remain pretty vague.

Trade to the Russians means producer goods — the technical equipment to increase Soviet productive capacity. Few firms in Canada are in a position to undertake the kind of industrial development that Russia has been able to derive from Italy, for example, with the Fiat automobile plant, or from the United States, with an entire chemical industry. Unless the Russians are prepared to increase their direct importation of consumer goods, trade with Canada is not likely to rise much above the present \$20-million-a-

year level.

There probably won't even be the usual wheat sales this year. Soviet production has hit 215 million tons — about 20 million tons above the annual target of 195 million set by the latest five-year plan (The Canadian Wheat Board will probably breathe a sigh of relief. Export sales have exceeded production in Canada for the last three years and the carry-over is down to a little more than one year's domestic consumption.)

Canada and the Soviet Union are next door neighbours across the North Pole. Just how close neighbours they are was evident when Mr. Sharp visited the Institute of the Arctic and Antarctic in Leningrad and saw the intensive mapping of the Arctic Ocean that has been carried out by Soviet manned and unmanned ice-stations over the years.

When dealing with a country the size of the Soviet Union, a good-neighbour policy is the only sensible one — just as it has been and continues to be with the United States. It is becoming increasingly easy to be a good neighbour to both, since the U.S.S.R. is itself developing friendlier relations with the United States.

Mr. Sharp noted that, while the Soviet leaders had expressed their concern about China, not one word had been spoken about that lifelong bogeyman of Communism, "American capitalist imperialism".

Making a mark in Moscow...

By David Levy

Mitchell Sharp awoke on the morning of November 21 to the sight of robust Russian workers jogging and exercising on the grounds below his balcony in the spectacular high-rise holiday hotel at Pitsunda in which the Canadian party had been lodged. High above the glades of a prehistoric species of pine, and with the sound of the Black Sea surf on the pebbled shoreline lulling the Canadians gently into consciousness, it was a far cry from Moscow's slush and murk, and a long way from the Kremlin's protocol machine.

A shining *Tupolev 134* VIP jet had brought External Affairs Minister Sharp and his retinue of officials and newsmen to this salubrious spot within walking distance of the vast Soviet government holiday mansion occupied at that moment by

Premier Alexei Kosygin. It was, incidentally, in that same mansion that, nine years previously, Nikita Khrushchov had been vacationing when the Central Committee was locked in the fierce debate in Moscow that ended with his being toppled from power.

The hotel where the Canadians spent the night swarmed with vacationing workers from all over the Soviet Union. In the lobby and on the grounds they gathered and stared uninhibitedly at the foreign guests, proud and pleased that they themselves were also seen in such enviable surroundings. At breakfast, Mr. Sharp quaffed his glass of sour milk, the traditional elixir of longevity, with a relish that most other Canadians matched only with suspicious diffidence and outright rejection.

Few companies in Canada set to undertake industry plan sought by U.S.S.R.

In many more ways than this did Mr. Sharp make his mark with the Russians. He is very much their kind of person, capable of deadly seriousness but with switches to unconstrained laughter when something is genuinely funny. In Russian eyes, the Canadian External Affairs minister was a personal hit. He is neither hamby-pamby nor hoity-toity, for which they respect and appreciate him. While the personality gap between Englishmen and Russians is virtually unbridgeable, Mr. Sharp, the Canadian working-class boy whose career, he once said, owed itself to his family's taste for books, was totally accessible.

News of Mr. Sharp's working-class background delighted the accompanying Soviet journalists, especially the part about the books — the Soviets being the greatest readers on earth. They also appreciated his Winnipeg upbringing, among people of Slavic origin. But whatever the causes for it, it is to Mr. Sharp's personality, and even more important, to his deft control of that personality, that much of the success of the visit must be attributed.

Kiev's eternal flame

There were moments that stirred the blood. In Kiev, Mitchell Sharp stood bareheaded in the bright, below-zero sunshine at the eternal flame of the Unknown Soldier. At a solemn, ceremonial pace, two Soviet Army troopers had borne an elaborate wreath before him down the long, omb-lined avenue toward the soaring belisk of the Ukrainian war memorial perched on the edge of the height overlooking the Dnieper River. On either side of the memorial, two very tall, grey-coated soldiers stood stiffly at attention, silhouetted against the cold blue sky, their fixed bayonets glinting in the fiery sun hanging low in the east. During the minute of silence, one fancied one heard the rumblings of the bloody battle for the liberation of the Ukrainian capital whose thirtieth anniversary had been marked earlier in the month.

At Leningrad's snow-bound Piskarev cemetery, where the 600,000 men, women and children who died in the 900-day siege were buried, Mr. Sharp watched as two Canadian officials placed a wreath at the foot of a towering statue of Mother Russia. Mournful choral music came from loudspeakers situated around the cemetery, whose equal exists nowhere else on earth. In a visitor's book inside one of the cemetery's pavilions, housing photos and relics of Leningrad's bitter ordeal, Mr. Sharp wrote: "To the brave people of Leningrad who gave their lives in the de-

fence of their city Canadians pay homage." Later he told reporters the visit was "one of the most moving experiences I have ever had". "One can understand," he added, "why the people of the Soviet Union so much desire peace."

Political tact

Mr. Sharp proved just as unerring in saying the right thing when the situation called for political tact as when it called for human sympathy. His handling of the "gut issue" of the free movement of men, ideas and information between East and West was indeed skilful. At a lunch given by Leningrad's Mayor Vladimir Ivanovich Kazakov, he touched on the essence of the peace he had earlier described the Soviet Union as desiring so much, when he said: "The modern age is essentially one of interdependence and dialogue. None of us can any longer afford the enormous economic and social price of isolation, just as none of us can afford the irrational suspicions, fears and illusions that it engenders. The modern world has grown too small."

In all this, Mr. Sharp has been accused of being too easy on the Russians, of being too discreet. This is grossly unfair to the man, ignoring as it does the undoubted impact of his personality on his Russian hosts. The first step toward convincing Russians in debate is to display a readiness to agree to differ, and at this Mr. Sharp is a past master. Asked at one point whether he felt he had had enough chance to explain his views, he answered: "I did, I was listened to and I believe I had some effect." In this, Mr. Sharp can and should be taken at his word. As proof, he pointed to a phrase in the final communiqué that proclaimed the wish that the Geneva Conference on Security and Co-operation in Europe "would attain the goal of strengthening peace and security and extending co-operation and contacts between people in Europe".

Here, however, a fine point of transla-

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tion as between the Russian and English texts of the communiqué could turn out to nullify this particular aspect of Mr. Sharp's alleged triumph in getting the second part of this sentence included. The Russian text, published in *Pravda* the day following Mr. Sharp's departure from the Soviet Union, uses the words "between peoples", while the English text distributed to correspondents uses the words "between people". As if to underline the important distinction between "people" and "peoples", the English text actually showed the letter "s" crossed out.

Standard phraseology

"Between peoples" happens to be a standard Russian propaganda phrase, meaning the exchange of official friendly delegations in those dreary exercises in friendship for which the Soviet Union is so famous. It is something they have been practising all the time, much in the way that Monsieur Jourdain found he had been speaking prose all his life. When Russians want to mean real contact between individual people on the free and spontaneous basis that Westerners have in mind on this issue, they use a different word from the one in the communiqué. Instead of *mezhdunarodny*, they would have to say *mezhdunarodny*, which in the Canadian-Soviet communiqué they did not.

This is more than a mere quibble. It is the difference between the slogans of propaganda and the speech of real people, and it must give pause for thought about how far Mr. Sharp really did get with Soviet leaders on the issue of the free exchange of men, ideas and information. What it probably amounts to is that the Russians made sure to protect their existing position on paper by resorting to linguistic legerdemain, which, in its way, indicates that they are at least on the defensive. Their standard line of defence, which argues that the free exchange of men, ideas and information cannot violate the sanctity of a country's control over its own domestic affairs, is no longer enough.

Just before leaving for home, Mr. Sharp said the whole trip had given him

"a picture of the setting and environment" in which Soviet decisions were made, this being the bonus he felt he had obtained from discussions with Foreign Minister Andrei Gromyko and Mr. Kosygin that, in two cases at least — on the free-exchange issue and the Middle East — had amounted virtually to their stone walling him. Asked by one reporter how his Russian hosts had viewed the question of the balance of forces in the Middle East, he replied that they did not seem to think in those terms.

"What terms do they think in?" asked the reporter.

"They think in terms of what is just," he replied, with a wry smile, betraying that he had suffered no little exasperation in his conversations on the Middle East.

Impact on Soviet

Even on the issue of Soviet-Canadian trade, some of the frustration of dealing with the Russians showed through, when Mr. Sharp, referring to the studies of trade possibilities being conducted by the Soviet-Canadian mixed commission, said "Instead of studies, we must have contracts."

All of this raises the question of what place the Sharp visit had in the general Soviet diplomatic scene. The staggering dimensions of the Kremlin's other concerns became obvious the day after Mr. Sharp's departure, when *Pravda's* regular Sunday roundup of the week's event failed even to mention the visit. The visit had coincided with that of a top-level delegation from the anti-colonialist break-away state of Guinea-Bissau. This constituted a historic landmark in world political evolution as seen from the Kremlin — so guess which visit got the bigger play in the Soviet press throughout Mr. Sharp's stay in the Soviet Union.

But this is only par for the course at the public level, and Canadian diplomats who know this, go soldiering on undaunted, aware that the Kremlin expects them to appreciate its propaganda priorities while the true business of better relations with the West proceeds along its prescribed course.

... The normalization of relations between East and West cannot be limited to treaties between governments; to be real and lasting, it should include relations between people as well. Therein lies the true test: East-West *rapprochement* should not be measured by the number of

summit conferences and extent of trade agreements but, above all, by the degree to which there is a free exchange of ideas and culture between the peoples of the two areas.... (Wolfgang Leonhard, *Yale University in Foreign Affairs*, October 1973).

*Not quibbling
over language,
but difference
'between slogans
and the speech
of real people'*

Despite flaws, Kissinger system could mean an era of stability

By Robin Ranger

The recent October war in the Middle East and the subsequent Arab cutback in oil-supplies emphasized how vulnerable medium powers like Canada remain to superpower actions over which they have no control. Henry Kissinger's "pentagonal balance of power" looked, from this viewpoint, suspiciously like an old-fashioned condominium of the United States and U.S.S.R., facilitating their continued competition for influence at the expense of third parties and their preservation of the ideological and territorial *status quo* in their respective spheres of influence. Does this mean that Dr. Kissinger should be seen as a new Metternich, intent on securing an alliance between the conservative superpowers to support their interests, while defending these with Bismarck's cynical use of *Realpolitik* and force? Or should Dr. Kissinger be seen as attempting to identify and reinforce the factors making for stability in the current international system so that it can adapt to change without disintegrating, the fate of the Metternich and Bismarck systems?

The comparisons with Metternich, the reactionary conservative, and Bismarck, the man of "blood and iron", were inevitable, given Dr. Kissinger's discussion of their respective approaches to diplomacy, together with his other writings and his actions as architect of President Richard Nixon's foreign policy since 1968. These works suggest that Dr. Kissinger's international political ideas are based on a more complex notion of the relationship between stability and change, and the altered role of force in the international system than has been assumed. His doctoral thesis on Metternich stressed the Austrian Chancellor's preoccupation in 1815 with the need to restore a European balance of power against the revolutionary forces of nationalism and liberation unleashed by the French Revolution, forces that had also enabled France to achieve hegemony over Europe. What became known as the Metternich system depended on the major actors in the inter-

national system having a long-term interest in preserving the territorial and ideological *status quo* sufficient to outweigh any short-term gains from its disruption. This interest was reinforced by a common conservative, anti-revolutionary ideology that enabled Metternich to present his policies as those dictated by loyalty to a common set of values, rather than those dictated by Austrian self-interest.

Conceptions of stability

Dr. Kissinger has clearly drawn on Metternich's conception of a stable international system as one that provided any power able to disturb the *status quo* with an even greater interest in its preservation, so that any changes would be evolutionary, rather than revolutionary, in terms both of the means used and the ends sought. Hence Dr. Kissinger's re-

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peated appeals for support for his ideas of stability as being in the common interests of the superpowers, which they generally are, and as being in the interests of the lesser powers, which they generally are not, except so far as all states share an interest in the avoidance of strategic nuclear war by the superpowers. But, whereas Metternich confused stability with an ultimately futile attempt to preserve a static *status quo* in a changing international system, Dr. Kissinger has stressed the need for a dynamic conception of stability. Only those changes whose nature or extent could threaten stability are to be prevented, or managed so as to preclude any disruption of the system, thus avoiding Metternich's adoption of a conservatism so rigid that it became as much of an ideological threat to stability as revolution.

*Kissinger stress
on 'dynamic' idea
of stability*

This extremely pragmatic conservatism adopted by Dr. Kissinger was practised by Bismarck, the "white revolutionary", who accepted the revolutionary notion of German unification to further his conservative goal of preserving the Prussian monarchy. Hence Bismarck's willingness, in the Kissinger view, to use *Realpolitik* and force, first to secure the unification of Germany and then to manage the resultant balance of power dominated by Germany. Dr. Kissinger clearly admired Bismarck's realism while defending his use of force as justified in an international system where force remains, as Clausewitz described it, the conduct of diplomacy by other means.

Yet Dr. Kissinger recognized that Bismarck, like Metternich, fell victim to the irony that each was the only man who could manage the subtle and complex balances that they had created, providing temporary solutions to ultimately fatal flaws. Critics have argued that the Kissinger system has remained similarly dependent on his personal diplomacy, his temporary successes obscuring his failure to obtain anything more than a sterile stability maintained by the U.S. military machine. But, although following Metternich in his insistence on stability as the basis for any lasting international system and echoing Bismarck's willingness to adopt radical measures to obtain his conservative goals, Dr. Kissinger has also insisted that his conception of an international system has been one reflecting the changing relations of its members and hence of America's vital interests. The real difference between Dr. Kissinger's definitions of stability and those of Metternich and Bismarck has thus been that he has attempted to identify the under-

lying factors in the international system making for manageable change, rather than seeking to impose stability by preventing change.

Stability through deterrence

Dr. Kissinger's central notion of a pentagonal balance of power has been based, to a much greater extent than has been realized, on an understanding of the changing utility of both nuclear and conventional forces in international politics. Since force has been the primary means of changing the international system, stability has depended on a preponderance of force being behind the *status quo*, with accepted rules being adopted by the major powers for their use of force in pursuit of non-disruptive change. These features of nineteenth-century cabinet diplomacy with its emphasis on *Realpolitik* rather than ideology, have been transferred by Dr. Kissinger to the nuclear age, with the stability of the U.S.-U.S.S.R. balance of deterrence seen as sufficiently ensured, by 1968, to act as the basis for their joint management of a balance of power whose main elements are likely to remain relatively constant until the end of the century.

Stable deterrence has become both a pre-condition of superpower *détente* and paradoxically, provided a basis for divorcing the superpowers' political relations from their strategic balance. Nuclear weapons have proved to be as suitable for deterrence, the prevention of any change in the post-1945 division of Europe, as they have proved unuseable for the employment of force to secure changes. Hence the emphasis, in superpower relations, on their mutual recognition of a *status quo* in Europe that neither side finds wholly acceptable but neither can alter by force. Since numerical superiority in strategic weapons can now be seen as politically useless, Dr. Kissinger has substituted the notion of parity, whose implications he spelt out in discussing the May 1971 SALT I agreements.

Although nominally an arms-control measure, this really represented an attempt to insulate the superpowers' parallel competition in the development and deployment of strategic weapons from the political relations, rather than leaving these at the mercy of changes in military technology. The success of SALT I in separating Soviet-American relations from the progress of a strategic arms race continued at about the same pace as would have been the case without SALT. This has been evident from the relative lack of concern in the U.S. strategic community

over the re-emergence of a technology favouring whichever side decides to strike first in a nuclear exchange and the defence of the doctrine of Mutual Assured Destruction (MAD) against its critics. The possibility of a successful first strike had previously been regarded as creating a reciprocal fear of surprise attack in a crisis, while the MAD doctrine had been attacked as immoral and dangerous because based on the assumption that deterrence depended on both superpowers being able to inflict a specified level of damage on their opponent, say 40 million dead, after absorbing the most effective attack their opponent could launch.

With the SALT I agreement still being observed after nearly two years and the SALT II negotiations under way, providing a forum for a continued U.S.-U.S.S.R. discussion of their respective strategic programs and their political implications, it has been difficult to regard increases in the technical possibility of a first strike as making such a strike possible. Nor can the defects of MAD weigh heavily against a doctrine that has provided the basis for Soviet-American acceptance of strategic parity and strategic stability.

Nuclear proliferation

Similarly, proliferation, the acquisition of nuclear weapons by states not already possessing them, has ceased to be a major concern of American foreign policy. Whereas the Kennedy and Johnson administrations saw proliferation as being rapid and destabilizing, a view still shared by Canada, Dr. Kissinger has seen proliferation as being relatively slow and contributing to, rather than detracting from, stability. China's acquisition of nuclear weapons has been accompanied by a more rational foreign policy while lessening Chinese fears of a nuclear attack by the United States or Russia. India's probable development of a deterrent in the next decade could be seen as destabilizing only if accompanied by grave domestic instability, while further proliferation by Japan has receded into the future, leaving only Israel as a potentially destabilizing proliferator. The French deterrent has, like China's, been transformed by Dr. Kissinger into a stabilizing force, underpinning the U.S. nuclear guarantee of Western Europe along with the British deterrent. Indeed, Dr. Kissinger has sometimes implied that it would be in the U.S. interest to strengthen the British and French deterrents to provide a stronger underpinning of the *status quo* in Western Europe. Hence also his support for a swing back

towards a greater reliance on tactical nuclear weapons to deter a Russian attack on Western Europe, or defeat such an attack if it occurred. The new generation of "clear" tactical weapons being developed could make this strategy, urged by Dr. Kissinger in 1957 (*Nuclear Weapons and American Foreign Policy*), once again credible, while enabling the United States to withdraw some troops from Western Europe, thereby forestalling domestic pressures for total withdrawal.

The role of conventional forces

Partly because of the limitations imposed by nuclear deterrence, and partly through changes in military technology, conventional military forces have become decreasingly useable for political purposes within or outside the central balance, although still used for occasional intervention by the superpowers. Their forces in Europe are much larger than those needed to preserve a *status quo* both must accept, given that any attempt to challenge it could precipitate nuclear war. Hence the current negotiations on Mutual and Balanced Force Reductions (MBFR) and the Conference on Security and Co-operation in Europe (CSCE). The superpower deletion of the requirement that MFR be balanced signified that they were likely to agree on equal quantitative reductions, thereby increasing the Soviet Union's politically unuseable conventional superiority *versus* NATO. Outside Europe, the increasing costs of superpower intervention with conventional forces have been accompanied by a sharp decline in the benefits of intervention, a change exemplified by the U.S. experience in Indochina from 1963 to 1973. Only a major power prepared, like Russia in Eastern Europe, to take over the running of a country on classical imperialist lines would be likely to gain from intervention in the 1970s.

Thus agreement between the superpowers on rules governing their use of force and the management of crises has been facilitated by the inherent limitations of the forces at their disposal, as well as by their recognition of the need to avoid a confrontation where a conflict over limited gains could expand or escalate, threatening the more valuable, central understanding between the United States and the Soviet Union. The recent Arab-Israeli conflict demonstrated that the U.S. notion of what constitute the rules of crisis-management in a given political context may not be shared by the U.S.S.R., since the Russian resupply of the Arab states during a limited war broke what the United States considered as an important restraint on

Superpowers see need to avoid confrontation that threatens the focal point of 'understanding'

expansion, as did Russia's implied threat of direct intervention. But Dr. Kissinger's subsequent attempt to secure Russian agreement with a peace settlement that the superpowers could then impose on their allies emphasized that, like Bismarck, he continued to see force as an instrument of policy but that, like Metternich, he would try to ensure that its use would be tempered by a recognition of the need to preserve the system of management by the superpowers. The other major powers — China, Western Europe and Japan — were excluded from this exercise in harnessing force to the preservation of the *status quo*, since China could only threaten it with nuclear weapons, a self-limiting threat, while being unable, like Western Europe or Japan, to intervene with conventional forces.

Limitations on intervention

The limitations on intervention crucial to stability have been those on the superpowers' use of nuclear or conventional force. Since neither America nor Russia could use force to tilt the balance of power in its favour, they could, in Dr. Kissinger's view, best advance their interests by agreeing that both would retain their mutually-recognized spheres of influence in Western Europe, a process made explicit by the West German acceptance of East Germany's borders in the Federal Republic's treaties with Russia and Poland and in the multilateral CSCE talks, with MFR between the superpowers underlining their acceptance of the postwar division of Europe.

With the strategic arms race taken out of the superpowers' political relations by a political decision, they could underline their interest in securing the balance of nuclear deterrence against destabilizing technical changes with agreements upgrading the "hot line" (October 1971) limiting their offensive and defensive strategic forces (the SALT I package of May 1972) and signing a formal accord on the prevention of nuclear war (June 1973).

The resulting sense of superpower interdependence was emphasized by the Nixon-Brezhnev meetings in Moscow in 1972 and Washington in 1973 and by their bilateral discussion, in the SALT II negotiations, of reductions in Forward Based Systems (FBS) for delivering nuclear weapons on the battlefield. Together with the superpower use of MFR to facilitate reductions they had agreed on in their forces in Europe, FBS levels were seen by the West Europeans as vital to their security, because they symbolized the U.S. guarantee against political pressures from

the U.S.S.R. Yet the United States seemed likely to resolve both questions in consultation with its main adversary, Russia, rather than its main ally, Western Europe, while the East Europeans would merely be informed of any Russian decisions on force levels. If, then, Dr. Kissinger's pentagonal balance provided a framework for a stability based on a changing, rather than static, international system, he apparently envisaged only changes acceptable to the superpowers. But could such a system gain acceptance by the lesser powers?

Condominium or balance?

Clearly the crucial question in evaluating Dr. Kissinger's five-sided balance of power was the degree to which it was an accurate description of both the existing balance of military, economic and political power and of the likely threats to stability it would face in the 1970s. Despite the defects to be expected of such an oversimplification of a complex balance, the pentagonal balance has proved to be an accurate descriptive mechanism in the five years since 1968. The world has remained militarily bipolar, if economically multipolar. Thus Western Europe has continued to gain in economic importance while remaining militarily dependent, in the last resort, on the United States. Dr. Kissinger has obeyed his own injunction, in *The Troubled Partnership*, to refrain from attempting to solve the political problems of the Atlantic alliance with military hardware, as in the United States attempt to meet West German concerns over the United States guarantee with a meaningless offer of nuclear sharing, the Multilateral Nuclear Force. As the problem of the Atlantic alliance have just been discussed here (Charles Pentland's recent article in *International Perspectives*, September-October 1973), suffice it to say that Kissinger's Atlantic Charter speech could be underestimated because overshadowed by the Middle East crisis.

West Europe prime concern

Dr. Kissinger has always, rightly, emphasized that the area of prime concern to the United States must be Western Europe, because the two are so interdependent, but that this very interdependence means that their joint problems can never be solved, only managed. Ideally, this aim would be furthered by European unity but, like all Americans, Dr. Kissinger has tended to assume that Europe will unite *behind*, rather than *against*, the United States. The recent Western European disassociation from United States measures in support of Israel should logical

Interdependence of U.S., U.S.S.R. emphasized by summit talks in Moscow and Washington

have been regarded as a healthy sign of independence, while Dr. Kissinger could hardly complain at the European adoption of a position based on considerations of *Realpolitik* (the need to secure oil supplies) rather than traditional sentiments (support for Washington). Instead, he reacted like any other U.S. Secretary of State, denouncing discord in an alliance, NATO, whose only common interests were economic co-operation and the defence of Western Europe against Russia. Nevertheless, the conception of a pentagonal balance implied that, if Western Europe could achieve a common policy on military and economic matters, this would be acceptable to the United States. Whether Western Europe would be able to achieve such unity seems doubtful.

If Western Europe, the area of primary U.S. interest, has only recently received Dr. Kissinger's full interest, this has been because he first had to disentangle his country from what he saw as an involvement in Southeast Asia based on a false, ideological, perception of the United States as being threatened by the spread of Communism in that area. From the viewpoint of *Realpolitik*, the real interests of the United States in Southeast Asia were minimal, necessitating only its continued guarantee of Taiwan, South Korea and Japan against an unlikely attack from China.

Since China's military power could not threaten the United States, while Peking's acquisition of nuclear weapons made it essential to secure China's agreement on the importance of stabilizing the balance of deterrence, the United States would have to accept the resultant changes in the international system, while shaping them, where possible, to its own ends. Hence the withdrawal from Indochina, now implicitly recognized as a Chinese sphere of influence, to reinforce the Chinese rejection of revolutionary ideology in favour of positions more suitable to a major power with a substantial stake in the existing balance of nuclear and conventional power.

Dr. Kissinger had thus defined stability as the existence of a balance of military and economic power in which no single member of the pentagonal balance could seek hegemony and where the preponderance of power would usually support the existing balance of influence between the major members. This influence was defined largely in terms of their ability to disturb the *status quo*. Because the United States and the U.S.S.R. could destroy the exist-

ing international system, their rules for management of crises would have to dominate the system to ensure their continued interest in its preservation, an interest symbolized by SALT I.

Both would have to eschew the claims of ideology in favour of those of *Realpolitik*, as would China, at least in its role as an emerging participant in the nuclear balance of deterrence. China's status here, and as a regional great power, had been recognized by President Nixon's visit to Peking in 1972. Western Europe's nuclear and conventional forces, or rather, those of its members, supported the most stable military balance in the world, that between NATO and the Warsaw Pact powers, a balance whose stability was being formalized in the MBFR/CSCE negotiations. Similarly, the economic interdependence of the enlarged European Economic Community, the United States and Japan was being recognized in the multilateral negotiations on international trade and monetary policy. Dr. Kissinger's pentagonal balance was very much a balance of power, but a stable balance nonetheless. It favoured the two superpowers because they retained an overwhelming preponderance of military, especially nuclear, power and were the only states with global interests. They were balanced, at the nuclear level, by China and in the economic sphere by Western Europe and Japan. The Third World was conspicuous by its absence from Dr. Kissinger's balance, being regarded as irrelevant to, because unable to threaten, stability within the developed world.

Yet, whatever its defects, Dr. Kissinger's conservative conception of an international system whose stability and order could be maintained by force at the expense of justice seemed likely to endure. Like Metternich and Bismarck, Henry Kissinger has ensured that this image of how the international system *should* be ordered will become the basis on which the system *will* be organized because he has understood how it has been evolving. Unlike Metternich or Bismarck, his is not a sterile conservatism, seeking to maintain an impossibly static political system, but a constructive conservatism, building on the existing foundations of stability to construct a system capable of absorbing any foreseeable changes. The Metternich system lasted from 1815 to 1848 and that of Bismarck from 1870 to 1914, giving the world nearly a century of stability still envied today; may not the Kissinger system last as long?

Military balance between NATO, Warsaw powers being formalized in negotiations

Canada's dialogue with the EEC: problems of making it effective

By James Langley

The ambivalence of our ancestors towards Europe, compounded of nostalgia and resentments which may still be fresh in the memories of those who recall the inter-war years, has given way in more recent times to a cooler calculation of the Canadian interest — which has, however, not yet provided the key to the riddle of our relations with Europe. The two poles of public opinion, represented by the catchwords of current debate, “continentalism” and “diversification”, are both sustained by respectable doctrine but lead to dramatically different prescriptions for the conduct of our foreign relations. Even if the consensus has moved decisively in favour of “diversification”, the implications for foreign policy towards particular areas, such as Europe, are not at all self-evident. With limited resources for all those activities through which a nation manifests itself abroad, governmental and private, from commerce to culture, the

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problem of choice remains — where are our efforts best deployed and to what precise ends?

The situation is no clearer when viewed from the European perspective. There is, of course, an immense fund of goodwill for Canada and Canadians in each of the countries of the old continent. Perhaps our common heritage, the shared experiences of two world wars and the particular contribution made by Canadian forces to the liberation, are the most important factors. One who lives in Europe cannot also but be impressed by the evident interest, respect and affection in which our country, its myths of forest and frontier, our domestic and international record and our people are held.

None of this, unfortunately, is easily translatable into specific knowledge and understanding. Thus in Europe there has been a tendency to assume that our real interests lie in other associations — multilateral, Commonwealth or North American — and that friendship was sufficient content for our bilateral relationships. While it is arguable that benevolent ignorance has not served Canada badly in its dealings with a multinational Europe, these contacts have lacked depth in both human and economic terms, except with Britain. As a result, there has been a certain insubstantiality to our relations with the other countries of Europe, except, perhaps, in the security context — and even here the overwhelming weight of the United States tends to dominate the scene.

The creation of the European Communities and their recent enlargement has added a new element from both the Canadian and European perspectives. In its simplest terms, a new level of European Economic Community policy and administration has been added to the traditional government machinery of the member countries. This in itself complicates life, particularly during this formative period when the Community is necessarily preoccupied with the internal problems of its

own development and its institutions are better adapted to the process of compromise among the diverse interests of its members than to the expeditious conduct of international business. Moreover, the Community is greater than the sum of its parts and its creation and evolution force us to look at, and deal with, Europe in new ways. It has already a distinctive competence of its own, including very important international responsibilities, which, as time passes and plans for the economic and monetary union come to maturity, will expand to cover an increasing segment of the spectrum of international relations.

Unease in Canada

For the moment, while the Community remains essentially a customs union, its impact is basically commercial, but already it casts long shadows that foretell the impending change of scale of the new Europe. In Canada, the prospect of polarization of the world economy causes uneasiness, and we have the feeling that the multilateral structure, which we found well adapted to our needs in the decades after the last war, is less certain as our partners coalesce into interest groups and trading blocs. These changes in economic relations inevitably spill over into other areas and affect the orientations and priorities of foreign policy.

The process of European construction itself has direct political consequences in that the desire to protect itself from external interference places constraints on the relations the Community is willing to develop with the industrial powers, even the closest allies of its member countries. More positively, its Mediterranean and African policies, to be followed perhaps by Middle Eastern policy, have strong political overtones. This trend cannot but increase as the Community becomes more secure in itself and more certain of its policy orientations. Already it indicates that the Community is developing not only machinery but interests that will not necessarily be those with which we have become familiar in our dealings with the member states. A major new element has entered the calculus of our foreign policy and, in the short run at least, the danger is that it operates to weaken the bonds that have traditionally linked us with Europe.

New economic, political polarity

The "Year of Europe", whatever its merits as policy, can be seen as a response to premonitions of a new economic and political polarity in the world. It is much more, of course, but the aim of the proposed

declarations of policy and intent — a declaration by the Nine on the identity of the Community, by NATO on the Atlantic alliance and by the Nine and the United States on their relations — is the redefinition of these relationships to suit the new realities. Canada as a member of NATO is active in part of this process, and it has been suggested in Europe that we too might conclude a declaration with the Community. This opportunity to define our bilateral relationship deserves careful thought, for many ingredients enter into the judgment whether it would serve our common purposes well. One thing is sure — major Canadian interests are involved.

Several articles in earlier editions of this journal have analyzed the options available to Canada in the present situation. All that need be said here is that these options relate to the nature and intensity of the relationships we might seek with the Community, especially compared to our other international activities and contacts. We do not have the option to forego a relationship with the Community. The Common Market is a fact of life with which we must deal. It is an active participant, in its own right, on the international scene. In trade negotiations, the Commission is the sole spokesman for the Nine. Trade agreements can no longer be concluded by the member countries but must be entered into with the Community as a whole. On any problem, general or specific, falling within the ambit of the Common Commercial Policy, the Common External Tariff or the Common Agricultural Policy, it is the Community that is sovereign and the Commission to which one must address oneself in the first instance.

As the Nine grope towards Community policies and jurisdiction in other fields, the subjects of negotiation and discourse with the Community will multiply; soon we may find it useful to discuss problems of economic and monetary management, of industrial and energy policy and of social and regional development with the Commission. Ultimately this will probably be as essential as the contacts we have already established on commercial policy questions.

The Community is as unprecedented in structure as it is in function, and the peculiar character of its institutions plays an important part in determining the nature and extent of its relationships with foreign countries. For current purposes, the two most important institutions are the Council and the Commission. The Council is composed of ministers from the member countries and has the power of decision on all questions not specially

*Range of subjects
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delegated to the Commission by the Community treaties. It has in theory no right of initiative and no responsibility for administration, but it wields decisive influence by virtue of its power of approval or disapproval of Commission proposals.

The Commission, the central executive, embodies the conscience and interest of the Community as a whole and has the exclusive power to initiate proposals. Thus it can be said that the Commission proposes and implements while the Council disposes. This creates rather obvious problems for dialogue and negotiation. Although, for example, foreign ambassadors are accredited to both bodies, the Council is elusive — virtually unapproachable by foreign governments. Its composition varies with its agenda; the rule of unanimity applies even when its rotational chairman speaks on its behalf; and in theory it acts only on proposals of the Commission. In contrast, the Commission is approachable and disposed to be helpful but its competence and powers of decision are limited.

The difficulties created by this institutional arrangement are generally recognized and will probably be remedied in time but for the moment foreign governments cannot deal with the Community as they would another government. There are some problems on which it is difficult even to find anyone with whom to talk, and experience has shown that the best way to proceed is to cast one's consultative net as wide as possible, cultivating one's contacts with the Commission, with the governments of member countries and with their missions in Brussels (which provide backing and continuity for the deliberations of the Council). Contacts with the Community in Brussels and with governments in national capitals are thus compatible, complementary and necessary.

Largest trading entity

As suggested earlier, a relationship with the Community has other singular features. It is already the world's largest trading entity, with a gross national product approaching that of the United States; intra-Community trade in 1972 reached nearly \$80-billion and exports to third countries about \$73-billion. Trade of this magnitude inevitably occasions problems that impose a fearful burden on its institutions (which are most austere manned). These institutions have also to implement the ambitious program decided at the Paris summit meeting in October 1972 for achieving a European union by 1980, including an economic and monetary union and common policies across

the whole range of economic activity broadly defined. The wonder is that the Community is able to devote the attention it does to its international relations and that it should do so is a token of the importance.

Community priorities

The fact that the process of European construction is still not far advanced places further constraints on the nature of the Community's international relationship. In terms of priorities, the Community has chosen first to set in order its relations with its nearest neighbours and with the developing countries for which its members have had special responsibilities. Thus the Community has completed its enlargement and negotiated creation of free-trade areas with the other members of the European Free Trade Association and preferential agreements with countries of the Mediterranean basin and the Yaoundé Convention providing for the association of most francophone African countries. A tentative start has been made in the negotiation of non-preferential commercial agreements with other, more distant, countries, but by and large the Community has preferred to leave its relations with them informal. Several explanations are advanced for this, but one wonders if, particularly in relations with its more important industrial trading partners, the reasons may not lie in the transitional state of Community development.

The design for European Union is vast and complex and, if successful, will entail not only a myriad compromises between vested interests but the negotiation of the domestic and international policy orientations of a new and powerful society. What could be more plausible than that the institutions responsible for this delicate operation should want to keep at arm's length those whom it feels incapable of exercising an extraneous and possibly unhelpful influence? This, at least, is one rationalization of the Community's hesitancy to institutionalize relations with the industrial nations.

As an old friend and ally of the constituent members, sympathetic to the Community undertakings and sharing with them a broad identity of interest and conviction on the major issues of the day, Canada might have expected somewhat more individual treatment. However, our North American identification has clearly made it difficult for the Community to draw distinctions between us and the United States. The misunderstanding that so often leads to the European

Unlike Council, EEC Commission is approachable, but 'its powers of decision are limited'

assumption of a Canadian identity of interest with the United States is reinforced by a reluctance to play favourites in its relationships with the industrial countries. Despite the obvious disparities of power and influence, we thus find ourselves grouped with the United States and Japan as countries with which, in the now familiar language of the Paris summit communiqué, the Community wishes to "maintain a constructive dialogue". On the one hand, the Community seems to say, you cannot expect to pioneer new forms of relationships; on the other hand, they do not withhold from us what they are willing to concede to our powerful neighbours. We may be pleased and flattered, but the Community position responds imperfectly to a key element of Canadian policy and aspiration — diversification of our external relations.

A complete answer to the problem of developing a more specific relationship with the Community would have to cover action by both government and the private sector, which plays an essential role in developing and sustaining international ties. But here it may suffice to concentrate on government, for which the transition from a multinational to a Community Europe (whatever form it may take) poses unprecedented problems. A dialogue commensurate with the interests at stake must be established with the new institutions of the Community; means must be found to make the dialogue effective despite unfamiliar impediments; the parties must agree (perhaps in a formal instrument) on their common interests and objectives; and they must nurture and encourage contacts and activities in the private sector that contribute to their relationship. It is a matter of organizing to make the best use of the opportunities.

The Canadian case is a particularly interesting one. The volume of our trade with the Community is large (\$4.6 billion in the two directions in 1972). Our exports are, by general consent, more vulnerable to the impact of enlargement than those of any other third country. More important, perhaps, there is a very large potential for the development of trade and other economic ties if, as seems likely, our economies become increasingly complementary and latent policy considerations work in this direction. For the moment, the essential aspects of our trade relations are covered in the multilateral General Agreement on Tariffs and Trade, within whose context Canada and the Community are negotiating about both the consequences of enlargement and a further round of trade-liberalization. Look-

ing to the future, one can foresee a need to improve the forms and broaden the substance of the relationship. In time the trend of institutional and policy developments in the Community should facilitate this.

Both the terms of the Community treaties and practical considerations preclude Canada's joining or associating itself with the Nine, but a broad economic agreement, complementing the GATT, is an attractive and realistic long-term objective. In the interim, there are many practical ways to improve the mechanisms of consultation and develop specific points of contact and common interest. Links with the Community have developed steadily from the early days, when our day-to-day business was handled by one or two officers attached to the Canadian Embassy in Belgium and contacts at the political level were rare, to the present situation, where Canada has a separate mission to the Communities and a system of regular meetings between ministers and their Commission counterparts is in effect. In all these contacts, work proceeds on exploring and defining the substance of the longer-term relationship to be envisaged between Canada and the Community, on questions of common interest in the world economy and on current problems in our bilateral trade. As these discussions proceed, they tend to deal in increasingly concrete terms with specific suggestions for co-operation, joint activities and projects.

In a sense, the evolution of relations between Canada and the Community will be the obverse of the development of the Community itself. It will therefore take time, which many within the Community are the first to deplore. They recognize the immense importance to Europe of their external relations and wish, as firmly as any outside the Community, to play a full role on the international scene. The recent Middle Eastern crisis has merely emphasized in their eyes the weaknesses of the present structure of Europe and the need for adaptation to permit it to fulfil the economic and political functions implicit in the project for European Union. The crisis has led to a reappraisal among the Nine of the realities of their efforts to construct their union and of their relationship with the United States. It is fraught with dangers for the Community endeavour, but it seems to have created a mood of determination to move ahead and, if this can be translated into action, it will give the Community a new impetus, the "Year of Europe" a new emphasis and Canada's own relationship with them new prospects for progress.

*Mideast crisis
has fostered
a reappraisal
in Community
of efforts
to construct
European union*

Objectives viewed as too vague in Ottawa's approach to Europe

By Claude Lemelin

Canada's External Affairs Department, fortunately showing greater modesty than the Nixon administration, held its "Week of Europe" early in November 1973. Sir Christopher Soames, vice-president of the European Community's Commission and the man in charge of the Community's external relations, was in Ottawa on November 1 and 2 with an important delegation of "Eurocrats", holding talks with External Affairs Minister Mitchell Sharp, Industry, Trade and Commerce Minister Alastair Gillespie, Finance Minister John Turner and Energy, Mines and Resources Minister Donald Macdonald.

At the same time, a delegation from the European Parliament was holding a joint meeting with the External Affairs Committee of the House of Commons and the Foreign Affairs Committee of the Senate on Parliament Hill. The Canadian Institute of International Affairs (CIIA), in co-operation with the External Affairs Department and the Commission of the European Community, sponsored a three-day conference on Canadian-European relations at the end of the same week.

These events most opportunely put

in the limelight Canada's European policy — a facet of Canadian diplomacy that is destined to take on increasing importance in coming years if the diversification of Canada's external economic relations provided for in Mr. Sharp's "third option" is carried out. (This option, described in a major study of Canadian-U.S. relations by the minister released in October 1972, called for Canada to pursue a comprehensive, long-term strategy to develop the Canadian economy and other aspects of Canada's national life. The study concluded that this "third option" — as opposed to a standpat position or closer integration with the United States — represented the one best calculated to serve Canadian interests in the face of the pull of continental forces.)

Psychological barriers

In particular, Sir Christopher's visit seems to have given new impetus to the *rapprochement* between Canada and Europe that Ottawa would like to further. Perhaps in a few months or years, we shall speak of the removal of the psychological barriers of November 1973 after the removal of political obstacles represented by the mention of Canada as a separate power in world trade with which the European Community should set up constructive dialogue — a specific mention cited in the communiqué issued by the Nine after their summit conference in 1972. This psychological *rapprochement* was even more visible among the members of the European Parliament, since its delegates arrived in Ottawa still stunned by the acrimony of its talks in Washington with members of the U.S. Congress and Secretary of State Henry Kissinger. (This took place just after the fourth Arab-Israeli war had created serious tension between Europe and the United States. One member of the European Parliament laughingly told the Canadian Senator and MPs that they did not have to turn handsprings to demonstrate that Canada was a power distinct from the United

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states, because the warm welcome and calm words they had received since their arrival in Ottawa bore eloquent testimony to that fact. According to their joint press release, the two groups of parliamentarians readily agreed that it would be opportune for the European Economic Community to establish a permanent delegation, or at least an information office, in Ottawa, both to provide Canadians with more information about EEC affairs and to provide liaison between the Brussels administration and Canadian Government circles. It would not, of course, encroach on the diplomatic representation functions of the embassies of the Nine. Sir Christopher Soames agreed that relations between the Commission and the Canadian Government had been too fortuitous and should be established on a regular basis, but he pointed out that the Commission had to obtain approval from the Council of Ministers of the EEC before opening permanent offices in Ottawa.

During a press conference, Mr. Soames said that, once the decision is taken by the member countries to launch dialogue with Canada, relations between the Community's institutions and Canadian Government authorities could be superimposed on those of all kinds Canada has long maintained bilaterally with Community member states. However, he stated that these bilateral relations between countries remained the main instruments of the *rapprochement* between Canada and Europe that both parties deemed desirable.

Formal goals

Two other formal objectives in Ottawa's European diplomatic relations were apparently discussed during the Soames-Sharp talks, but on these no agreement on common action could be reached because the vice-president of the Commission could not commit the Community to them. These were the declaration of principles the Canadian Government would like to establish with Brussels to govern economic relations between Canada and Europe — a declaration that would naturally be different from the one the Community has already agreed to negotiate with the United States — and the still vague projected general agreement on co-operation the External Affairs Department would eventually to conclude with the Nine.

But perhaps we should be even more amazed at the fact that the conversations of last November largely avoided theorny trade question (the tariff adjustments Ottawa would like to obtain, the "moral debt" to Canada contracted by the



Britain's Sir Christopher Soames, a vice-president of the Commission of the European Community, led delegation in talks with Canadian cabinet ministers.

EEC as a result of its enlargement under the aegis of GATT, the possible modification of the preferential tariff arrangements Britain still enjoys on the Canadian market) to consider aspects of Canadian-European economic co-operation that are more promising because they have fewer roots in the past — the energy sector is an example. It is significant that the members of the European Parliament were interested in and curious about the Canadian nuclear reactor (the CANDU system), the availability of uranium and the development potential of Alberta's tar-sands.

The general theme of the conference organized by the CIHA, held the same weekend, was "Canada and the European Community". Sir Christopher Soames delivered the inaugural address, Mr. Sharp spoke as well, and the conference closed with a panel of journalists chaired by Jean-Luc Pepin, former Canadian Minister of Industry, Trade and Commerce. The main events of the conference were four workshops, led mainly by officials from Brussels and Ottawa. In their three sessions they studied the following themes: trade and commerce, agriculture, industry and technology, resources and energy, and relations between Canada and Europe in general, considered in the context of the world as a whole.

It is deplorable that so few Quebecers and representatives of the Atlantic Provinces took part in the conference. According to the list distributed by the organizers, fewer than 30, or scarcely 18

per cent, of the 170 participants were from Quebec; only about ten of these were French-speaking. Consequently, almost all the work was done in English, despite the presence of a strong contingent of French-speaking Europeans and the availability of a simultaneous interpretation system. Representation from the Atlantic Provinces was meagre — two delegates out of 170, or barely 1 per cent.

I do not know how the Canadian Institute of International Affairs and the External Affairs Department recruited the participants in the conference, and I should be most unfair in placing any blame on them without careful examination of the factors that led to such a glaring underrepresentation of Eastern Canada. It could have been caused by a lack of funds, for example, or by the fact that many Quebec academics and politicians were involved in the province's general election on October 29.

Nevertheless this situation probably placed the conference on a false footing, since the five Eastern provinces are precisely those most interested in the progress of relations between Canada and Europe, particularly in economic terms. By virtue of their location, they stand to gain more than the others from the development of these relations. It is normal that, at a meeting on Canadian-American relations, representation from Ontario be predominant; similarly, a conference on Canada's relations with Asia should involve majority representation from Western Canada. Why should the same not be true of the Eastern provinces, when a conference on Canada's relations with Europe is held under the auspices of the External Affairs Department? It would be a mistake to see in this observation an attempt to "regionalize" the country's foreign policy, but Ottawa should avoid any exclusiveness or jurisdictional narrowmindedness in this connection and should learn to recognize the predominance of regional interests at the appropriate times.

This statement should not be interpreted as a reflection of regional jealousies or a dispute about representation; it calls into question the substance of Canada's external relations rather than the form. There are good grounds for arguing that the reason why Canada's European policy has until very recently been so routine and so cautious is largely that this country did not and still does not have a European lobby powerful enough and well enough organized to prod the federal administration into greater boldness and ingenuity in managing its relations with Europe. Nor will this lobby ever exist unless the govern-

ments of Quebec and the four Atlantic Provinces, as well as private firms, universities, research institutes, pressure group and similar organizations in these regions emerge from their "provincialism", stop being obsessed with the United States and take a wider view of the situation, reacting and rejuvenating their ties with Europe for their own benefit. It would be very much in the interest of the External Affairs Department to encourage this process. Although we cannot require the Canadian Institute of International Affairs to take initiatives that only provincial governments can authorize, the Institute nevertheless has an important role to play in serving as a catalyst in such development.

I trust I shall not abuse the hospitality of this space by mentioning what appeared to be a *faux pas* by the Secretary of State for External Affairs. There are nevertheless grounds for questioning the wisdom of associating Canada publicly with President Nixon's "Year of Europe" as Mr. Sharp did in his address to the opening plenary session of the conference organized by the CIIA. Several of his diplomatic advisers did the same in workshops. Associating Canada with foreign-policy manoeuvre by the American administration seemed rather *gauch*, particularly at the very moment when Ottawa was trying to persuade the Europeans that Canada's political and economic interests were distinct, if not divergent from those of the United States, and that the European Community should therefore deal separately with us.

If Mr. Nixon's and Dr. Kissinger's "Year of Europe" had been a definite success, Canada's External Affairs Department might have been well advised to follow in its wake; but the most we can say, particularly after the diplomatic repercussions of the war in the Middle East, is that this proposal seems to have been a resounding failure.

No 'grand plan'

In general, I was rather disappointed with the work of the CIIA's conference. Few incisive analyses and no "grand plan" emerged from it. It may be thought that I am asking too much, but some type of plan is urgently required to give Canadian-European relations enough momentum to make Mr. Sharp's third option seem realistic. In this sense, the CIIA conference was an all-too-faithful reflection of the as yet vague objectives of Canadian diplomacy in Europe.

Of course it was inevitable that the officials from Brussels should restr-

Representation from Quebec, Atlantic region seen as meagre

Claims Canada does not have 'European lobby' powerful enough to prod Ottawa

The following is an excerpt from the statement made on November 2, 1973, by External Affairs Minister Mitchell Sharp to the Canadian Institute of International Affairs Conference on Canada and the European Community:

...The political role of the Community, particularly in relation to North America, has been stimulated by the American initiative of a "Year of Europe". It seems to me that this initiative was designed to serve a number of useful and timely purposes — to redefine and revitalize the Atlantic relationship and as a reaffirmation of an outward-looking American foreign policy. It was also, I believe, a means by which one great power acknowledged the coming-of-age of another great power.

Although there were some mixed reactions in Europe to the initiative, I believe that the Nine were very pleased to have demonstrated to the world and to themselves their capacity to agree on a collective response to the "Year of Europe" message....

There were, of course, some questions about the implications of the "Year of Europe". One of the first questions many of us asked about the "Year of Europe" was — how would the interests of the industrialized democracies, as a whole, fit this conception? Would it involve a tripolar system — the United States, Europe and Japan? We, of course, remain concerned not to find ourselves polarized around any of the main power centres. That is very much a part of what our policy of diversification is all about.

Nevertheless, outside this country, we have sometimes found an assumption that Canada should fall naturally and inevitably into the U.S. orbit. This is perhaps understandable, but it is unacceptable to Canadians. It is inconsistent with our conception both of what Canada is and what our interdependent world should be. It runs against the grain of postwar Canadian efforts to build an open and liberal world trading system. It is also contrary to the Canadian Government's basic policy of a relationship "distinct from but in harmony with" the United States.

North America is not a monolithic whole — economically or politically. Nor do I think it would be in the interest of Europe to deal with a single North American colossus....

themselves to technical, rather cold, speeches, which in most cases took on political dimensions only when they noted the tensions among the Nine caused by the establishment of certain common policies. It was also inevitable that the Canadian officials should give only routine addresses, since the Canadian Government's attitude towards the European challenge has so far been unimaginative and erratic. Their job was to explain our asthmatic diplomacy, and all they could do was wheeze as energetically as possible.

However, we had a right to expect these bureaucratic shortcomings to be disputed and countered by the many academics and businessmen attending the conference. Do these circles not pride themselves on reflecting more profoundly or acting more energetically than the Government officials? They are not held back by the proverbial caution of the diplomats. These other participants could have explored the widest range of the possibilities for *rapprochement* in trade and economic co-operation between Canada and Europe; they should have urged boldness and innovation, and brought out the logical consequences for Canadian-European relations of the Government's effort at diversification.

Little stimulus

But this was not the case. They were as docile as old-fashioned schoolboys and incredibly reasonable. These "private" participants in the CIIA conference contented themselves for the most part with dotting *is* and crossing *ts* in the official statements. It is sometimes said that imagination reigns in the universities (some wags say that it forms the official opposition in the Federal Government), but on this November weekend its power was nowhere in evidence in the halls of Ottawa's Conference Centre. It is not surprising that the Lester B. Pearson Building so rarely outdoes itself; it receives little stimulus from outside. Thus it is to be expected that, in this instance, the federal ministers have not yet succeeded in inventing a European policy having substance, scope and style.

What, then, is the moral of this conference? It is that, if Canadians want to diversify their external economic relations as proposed by their Government, if they truly hope to reduce gradually the exclusiveness of their economic relations with the United States, and if they genuinely desire the *rapprochement* with Europe that is one of the essential steps in this diversification, they must immediately rescue their European policy from the Govern-

Observers say imagination reigns in universities, but this found 'nowhere in evidence' at conference

ment lairs where it is languishing. In short, Canadian-European relations must become political issues; the press must take up the cry, the provinces — particularly the Atlantic Provinces — must make it one of their demands, and the business world must begin to covet European trade. This market of almost 300 million people is well worth the effort.

And, in the process, let Canadians not

be afraid to focus criticism on the departments mainly responsible for Canada's European policy — External Affairs and Industry, Trade and Commerce. In any bureaucracy, these departments are somewhat masochistic; they pine unless they are criticized. In any case, they are thick-skinned enough to absorb the blows — and strong enough to deal a few in return.

Canada's relationship with Europe...

... Canada's relationship with Europe is not the same as the United States' relationship with Europe. There are political, economic, cultural and linguistic elements in our relationship with Europe that are unique.

Perhaps, in relative terms, our relationship is more important to us than the United States' relationship with Europe is to the Americans. Forty-two per cent of our immigration continues to come from Europe. Our national fabric is made up of distinctive ethnic groups — many of them European. These have not been assimilated into a Canadian homogeneity. They preserve and value their links with Europe as they do their Canadian nationality.

Canada's security is indivisible from that of Europe. That is why we are members of NATO. We do not have troops in Europe solely for the purpose of defending Europe, but to defend Canadians.

Dialogue heightened

However, by focusing on the need to revitalize and redefine the Atlantic Community, the 'Year-of-Europe' initiative has quickened the pace of development of Community policy toward the rest of the world.

This heightened Atlantic dialogue is leading Canada, the Community and the United States into a greater and deeper exploration of our shared problems and aspirations. The pursuit of this dialogue reaches beyond the economic sphere to

encompass all aspects of international relations.

I believe that a serious and comprehensive examination of the Atlantic Community, an effort to make the Atlantic relationship more responsive to current realities, can be beneficial to all concerned.

Canada's goal

In this context, the suggestion of a Canada/European Community declaration is attractive. But the determining factor will be substance, not form.

Canada is seeking opportunities to develop a dynamic, meaningful and distinctive long-term relationship with the European Community. If it is clear that such a declaration can contribute to this objective, we shall be ready to participate in its elaboration.

With or without a declaration, the future evolution of the Community's transatlantic relationship will be of critical interest to Canada. I am confident that common interests and common sense will prevail. (*Excerpt from the conclusion of a statement by External Affairs Minister Mitchell Sharp to the Conference on Canada and the European Community, in Ottawa on November 2, 1973. The conference was sponsored by the Canadian Institute of International Affairs, in co-operation with the External Affairs Department and the Commission of the European Community*).

Assessing progress in developing systems to curb aerial hijackings

By G. I. Warren

The frequency of aerial hijackings and related acts of unlawful interference with civil aviation appears to be decreasing, most dramatically in North America. It is obviously risky, perhaps foolhardy, to make such a bold assertion, and I have the slightly uncomfortable feeling that there will be a fresh flurry of incidents before this article is published.

If my assertion is correct, however, what has brought about this encouraging development? As an international lawyer, I should like to be able to claim that it stems from the development of an effective international legal regime. This is certainly an important factor, but perhaps the main contributing factor has been the implementation by many governments of more effective security measures at airports. For instance, both the United States and Canada have been co-operating with other member states of the International Civil Aviation Organization (ICAO) to develop more rigorous international standards and recommended practices in an effort to forestall incidents before they can take place. This effort must continue if my assertion is to remain true.

The development of an international legal regime has, however, had a crucial deterrent effect in bringing the problem under control. The legal network may not be completely leak-proof, but the message seems to be filtering through to potential offenders that there are practically no countries left where it is possible to evade punishment. Canada made significant contributions to the negotiation, under the auspices of ICAO, of three important international conventions to which it is a party: the 1963 Tokyo Convention, which obliges contracting states to permit hijacked passengers and crews to continue their journey as soon as practicable, and to return hijacked aircraft and cargo; the 1970 Hague Convention, which obliges contracting states in whose territory an alleged hijacker is found either to extradite or prosecute him; and the 1971 Montreal Convention, which requires contract-

ing states in whose territory an offender alleged to have committed an armed attack or act of sabotage against international civil aviation is found either to extradite or prosecute him.

Hole in the dike

There was a gaping hole, however, in this legal dike, or so it seemed until fairly recently. It appeared that a number of states were not going to accept these binding obligations by becoming parties to the three international conventions. Although it was clear that no government would wish to encourage purely "criminal" hijackers, it was equally clear that certain countries were unwilling to become obliged to take such decisive action against "political" or "revolutionary" hijackers. This ambivalent attitude still characterizes the posture of many governments to the general problem of "international" terrorism and explains the failure of the United Nations General Assembly and its special Ad Hoc Committee on International Terrorism, which met last summer in New York, to recommend any effective measures against such terrorism.

It was to fill this gap that, in 1970 and 1971, at the height of the hijacking problem, Canada and the United States took the initiative in calling for the approval of a fourth international convention, which would authorize contracting states to take "joint action" — such as the suspension of air services — against states that failed to fulfill the fundamental international obligations reflected in the Tokyo, Hague and Montreal conventions.

Mr. Warren, a member of the External Affairs Department for the past 13 years and a lawyer specializing in international legal affairs, has served in the department's Legal Operations Division since the summer of 1971. He had previously served at posts in Havana and Rome and with the United Nations Division of the department in Ottawa.

In retrospect, it is not surprising that this initiative quickly ran into difficulties, since it focused upon one of the most sensitive and divisive areas of international relations — the taking of collective sanctions against offending states.

It is clear that, under the United Nations Charter, if the UN Security Council decides that a state has committed a “threat to the peace, breach of the peace, or act of aggression”, the Council can decide to impose sanctions, and member states of the United Nations are bound to accept and carry out the decision. It is, however, a fact of life that the Council is often stopped from taking decisions by the exercise, or threat of exercise, of the veto. Canada and many other countries take the position that the Council does not have exclusive competence to impose sanctions. They contend, in relation to international civil aviation, that, since a state exercises sovereignty over its air-space, it can become a party to a new international convention in which, under certain conditions, it agrees to suspend air services with offending states.

Rome meeting

Notwithstanding this legal justification, however, many states were unwilling to envisage the taking of sanctions against states which, they believed, had accepted no international obligations since these states had never become parties to the Tokyo, Hague and Montreal conventions. As a result, in the summer of 1971, the subject of a “joint action” convention was, over the strong objections of Canada, put on the inactive list in the work program of the ICAO Legal Committee. It was finally resurrected by the ICAO Council in June 1972 as a positive manifestation of the universal revulsion engendered by the Lod Airport slaughter by terrorists. A series of less than completely conclusive ICAO legal meetings, held in Washington in the autumn of 1972 and in Montreal in January 1973, led to the scheduling by ICAO of a diplomatic conference and concurrent extraordinary assembly on aviation security, which were held in Rome from August 28 to September 21, 1973. The result of all this diplomatic activity was the approval by the ICAO extraordinary assembly of a resolution merely reaffirming the important role of ICAO in the settlement of civil aviation disputes between members of the Organization and appealing to states to become parties to the Tokyo, Hague and Montreal conventions.

Why were no new substantive measures approved in Rome? The main reason

was that, despite the earlier legal meetings there were still too many proposals and too many competing interests to be sorted out in the limited time available. The diplomatic conference considered a Nordic proposal, and a number of variations on this proposal, for a new multilateral convention which, working within the ICAO framework, would have provided for the making of recommendations (not decisions) to contracting states to suspend air services with states found to be guilty of assisting hijackers. This proposal was a weaker version of the earlier Canada-United States draft convention.

The diplomatic conference also examined a Soviet proposal to add protocols to the Hague and Montreal conventions whereby contracting states would undertake to give preference to the extradition of hijackers when such states exercised the option, contained in the Hague and Montreal conventions, either to extradite or prosecute. Many countries were reluctant to undertake to give such a preference to extradition since they did not want to be placed in the position of having in future, to return political escapers to countries from which they had fled. The Soviet proposal was an attempt to restrict even further the option either to extradite or prosecute, which, when introduced in the Hague and Montreal conventions, was regarded as a major breakthrough in limiting the conception of political asylum which had customarily meant the complete exoneration of the person receiving asylum.

A last-minute Greek proposal, born of a recent terrorist incident at the Athen airport, requested the diplomatic conference to approve an amendment to the Montreal convention to cover terrorist incidents at airports.

While the Rome conference was grappling with this assortment of proposals, the extraordinary assembly, on alternate days, was considering two proposals, one presented by Britain and Switzerland and the other by France, providing for the taking of “joint action” not by the approval of a new international convention but by amending the ICAO constitution, the 1944 Chicago Convention. Although the British, Swiss and French managed to combine a number of provisions of their two proposals, the crucial sections involving sanctions remained in competition. The French proposal would merely have relied upon the ineffectual existing enforcement machinery of the Chicago convention. The British-Swiss proposal did provide for effective enforcement, but it appeared highly unlikely to most observers that such

*Fact of life
that UN Council
often barred
from decision
by veto threat*

*Despite pileup
of proposals,
sessions failed
to produce
new measures
of substance*

amendments would ever be ratified by the two-thirds of ICAO member states necessary to bring them into force.

To bring a modicum of order and common commitment out of this confusing array of proposals, Canada and a number of other countries tried to promote the idea of a "package approach" whereby a new international convention, along the lines of the Nordic proposal, would be approved at the diplomatic conference as a more immediate measure (since the convention would come into force after ratification by a fairly limited number of states), and amendments would be approved to the Chicago convention as a longer-term measure. Unfortunately, however, so many separate interests were working at cross purposes at Rome that it proved impossible to gain enough support for any type of master plan.

As if there were not enough elements working against a successful outcome, the last straw was provided by the interception on August 10, 1973, of a Lebanese civil airliner by Israeli military aircraft. After this subject was added to the Rome agenda, time, which could have been used to examine and to negotiate the proposed amendments to the Chicago convention, was taken up at the beginning of the extraordinary assembly in censuring Israel. Moreover, at the request of many states, the diplomatic conference devoted a great deal of time to considering unsuccessfully how the Hague and Montreal conventions could be amended to cover "state acts" of unlawful interference with civil aviation rather than, as at present, just "state assistance to the acts of individuals".

Considering the disappointing results of the Rome meetings, was all the energy expended unsuccessfully to achieve a "joint action" convention worth the effort? On balance, my conclusion is that it was. All the diplomatic activity, representations and publicity, as well as the useful pressure exerted by influential and interested groups such as the pilots' associations, forced many governments that might otherwise have been content to pretend the problem did not exist to stand up and be counted.

Most important, a number of states, which may not have previously intended to do so, have contemplated or are now contemplating positively the ratification of the three existing international conventions. It is easy to say, at this point, that there is less pressing need for new international machinery for taking "joint action" against states assisting hijackers now that most states seem ready to accept fundamental international obligations by

ratifying existing international conventions. This encouraging development, however, was not apparent until very recently, and is attributable, to a great extent, to the train of events and difficult choices triggered by the original Canada/United States initiative. It can at least now be said that practically no state is hospitable to hijackers. Recent incidents show that hijacked planes have to wander from state to state before finding even a semi-haven.

In the North American context, increased security measures have undoubtedly been the most important single factor in the dramatic decrease of incidents. Also significant, however, is the deterrent effect of the bilateral hijacking agreements entered into separately with Cuba on February 15, 1973, by Canada and the United States (followed on June 7, 1973, by the bilateral agreement between Cuba and Mexico). Canada first proposed the negotiation of such a bilateral treaty with Cuba in 1969, after the Cuban Government had announced its intention not to become a party to any international hijacking conventions but rather to negotiate bilaterally, taking into account its relations with individual countries. Well before these bilateral agreements came into force, it had become clear that a hijacker's lot in Cuba was not often a happy one. These agreements and the attendant publicity now provide clear confirmation of this fact.

It is evident that the time has not yet come when governments can relax and pretend that the hijacking problem has been solved. Incidents still continue to occur too frequently throughout the world. Governments and airlines will not be able to drop their guard in the foreseeable future. Certainly, however, the across-the-board attack on the interrelated aspects of the problem has directly and indirectly produced some positive results. As a result, individuals who might in the past have been tempted to commit hijacking and related offences now seem to be more aware that the gamble is not worth the risks, since there are very few places left where punishment can be avoided entirely. It is to be hoped that they are not now using their diabolic ingenuity to devise new methods of terrorizing innocent citizens.

(This article was written before the Arab terrorist hijacking incident which began at the Rome airport on December 17. The incident does not change the article's basic premise. Universal condemnation of the incident should spur governments to take further measures to eliminate the problem.)

*Train of events,
difficult choices
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is hospitable
to hijackers*

Role to play for the nonaligned despite group's unwieldy nature

Post-Algiers assessment

By Godfrey Morrison

The 1973 Middle East War may have curtailed motoring in Western Europe, worsened the energy crisis in North America and made more likely a recession in international trade in 1974, but it did have its beneficiaries. Perhaps the most unlikely of these was that vague group of nations, or "movement", many of whose members had started to despair — nonalignment.

When the kings, presidents and other delegates from more than 70 countries trooped wearily away from the fourth summit meeting of nonaligned nations in Algiers last September, few actually expected that much in the way of practical results would follow from their deliberations. Certainly, few expected that many nonaligned states would act on the conference's call that member states should take individual and collective political and economic measures against Israel.

Yet, a few weeks later, when fighting between Israel and the Arabs started once again, almost all the states of black Africa severed diplomatic relations with Israel. Not that this series of decisions was solely the result of post-Algiers nonaligned solidarity — far from it. Other factors, such as a growing feeling that Israel was no longer searching as earnestly as it should for a peaceful settlement with the Arabs (not to mention the blandishments of Libyan President Muammar Gaddafi's cheque-book), played their part. But the fact that the Africans had acted as they did suggested at least a certain degree of Third World solidarity. Events that followed

suggest that this solidarity, which amounted to little more than a vague feeling of shared powerlessness in the face of the superpowers and the industrialized countries, is a factor that will play an increasing role in international politics during the next few years.

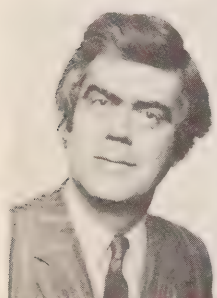
Riddled with contradictions

In severely logical terms, the nonaligned movement as currently constituted is riddled with contradictions. It is procedurally cumbersome, has little ideological "cement", and, at its last summit meeting, failed to carry out the agenda and program it had set itself.

It has been suggested that, when a political movement tries to define itself precisely, the very attempt is a sign that the organization is dying. This may or may not be true, but what is certain is that to try to define a movement too closely can sometimes kill it — or at least impair its effectiveness. At Algiers there were suggestions that nonalignment should be provided, like the United Nations or the Organization of African Unity, with a charter and that its aims, qualifications for membership and so on should be precisely defined.

That this suggestion was not followed up was owing partly to the difficulties involved, partly to lack of time, and partly to the realization, by at least some of the delegations, that the attempt, seriously embarked upon, would break up the grouping. Nonalignment's current institutional difficulties are, paradoxically, very largely the result of the movement's success in attracting adherents. At its first summit meeting, in Belgrade in 1961, there were only 24 members, but today there are more than 70, thanks largely to the flood of African nations gaining independence in the 1960s.

Ideologically and strategically the movement is very different. Nonalignment began its first conference at the height of the Cold War, when it was clear that even a small miscalculation by NATO or the Warsaw



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AP Canada Wide photo

Egyptian President Anwar Sadat is welcomed by Algeria's President Houari Boumedienne at Algiers airport as the Egyptian leader arrives to attend the

fourth summit of nonaligned nations September 1973. More than 70 countries were represented at the sessions in Algiers of Third World leaders.

...ct countries over Berlin could have sent everybody to a premature rendezvous with eternity. It was precisely these fears and the sense of powerlessness in face of such tensions that brought the movement into being. East-West *détente* has thus removed some of the mortar that held the edifice of nonalignment together. This is not to say, of course, that, even if it does not find a precise role, nonalignment will not have a chance of survival.

Included by Peking

...the conventional demonology of nonalignment, the two arch-villains are the superpowers — the Soviet Union and the United States. Naturally enough, this has meant that the grouping has been much praised by Peking and the occasions of its conferences, whether ministerial or summit-level, are nowadays invariably the signal for a chorus of praise from the Chinese media. This does not please Moscow, with the result that what one may call the "ideology of nonalignment" has

become the subject of furious debate between Moscow and Peking. On the whole, Peking has had the better of the argument so far as propaganda is concerned, simply because the idea of the two superpowers as the two villains is so firmly established. Whether it is believed or not, it is a handy idea by which the members of the grouping can define what they have in common. This is just one of the reasons why it is likely that Peking's influence in the Third World will increase at the expense of Moscow's during the next few years. The Soviet Union's reputation at the Algiers meeting would probably have been even more heavily assailed were it not for its vital military support to the Arabs and the fact that the meeting was taking place in an Arab capital.

Even so, this question produced one of the major incidents of the conference. The vast majority of speakers had cast the two superpowers in joint villain roles. This brought a spirited defence of Moscow from Prime Minister Fidel Castro of Cuba,

who said it was inadmissible to place the United States and the Soviet Union on the same footing. The Soviet Union had no "monopolies" and its record in aiding oppressed people in Third World countries and in helping liberation movements had to be remembered.

However, this only served to spur on Colonel Gaddafi, who never misses a chance to declare that the United States and the Soviet Union are equally imperialist, into saying, in effect, that Castro had no business attending a nonaligned summit meeting. He added that the difference between himself and Castro was that Castro was aligned and he was not; he was a socialist, while Castro was a Communist. Cuba, moreover, was a country that was under the "domination" of the Soviet Union.

Castro-Gaddafi reconciliation

So far as amiability was concerned, this exchange marked the low point of the conference and made it plain for all to see just how wide the ideological differences were between the participants. However, most significantly, only a few hours later a reconciliation between President Gaddafi and Cuba's Castro was effected, the necessary olive branch being offered by the Cuban leader in the form of an announcement that Havana would sever all diplomatic links with Israel. The manner in which the reconciliation was achieved is significant because it showed that, within the nonaligned grouping (as, indeed, in most other political groupings), particular national or regional interests — in this case the overriding Arab aim of isolating Israel diplomatically — could smother even the deepest ideological disputes. There is no reason why this should not continue to apply in the future, and there is, of course, a reverse side to the coin. This is that it is equally likely that particular national or regional interests will carry more weight within the non-aligned grouping, or in the Third World, than the vague sense of Third World or nonaligned solidarity, which nevertheless certainly does exist and just conceivably could grow stronger in the next few years.

An example will illustrate this point. The Arab states have been extremely successful in making their case in their dispute with Israel the case of the nonaligned grouping. However, when, in the aftermath of the 1973 Middle East War, the Arab states resorted to the use of their oil weapon, we were regaled with press pictures of Mrs. Indira Gandhi being driven to her office in a bullock cart. Indeed, there were signs at first that the restric-

tions on oil production could hurt realigned countries just as badly as the West. Just at the moment when the majority primary-product prices had reached high and remunerative levels, the shortages made possible a recession, perhaps even a major economic slump in the industrialized world, which could impose compound problems on the fragile economies of the Third World.

The Ghanaian newspaper *The Pictorial* complained that the Arab oil move, though ostensibly directed against the West in retaliation for its support of Israel, were in fact hitting Africa hardest: "to allow the oil crisis to hit Ghanaians, for that matter other African states, is a poor way of showing gratitude for sympathy demonstrated with the Arabs in their conflict with Israel." And another Ghanaian newspaper asked: "Are our African brothers going to abandon us to share a dog-house with those countries against whom the cuts are primarily directed?"

Role of OAU

In fact, the Arab states did show an important measure of *political* solidarity with the African states, even though they could at first do little to help them avoid the economic effects of the cut-backs. The political gesture was the Arab decision to ban oil supplies to South Africa, Rhodesia and the Portuguese territories. However, this was not so much a result of solidarity within the nonaligned world as a necessary Arab *quid pro quo* within the framework of the Organization of African Unity (OAU) to pay for the black African decision to break off diplomatic relations with Israel.

It is hard to overstress the importance of the OAU to the nonaligned movement. For a start, over half the members states attending the last nonaligned summit meeting were African (a fact that has led, in the last few years, to recurring anxiety on the part of the Asians, Chinese and Latin American states that they are somehow "under-represented"). Secondly, the OAU provides a link between Africa and the Arab world, since Egypt, Sudan and the Maghreb states are OAU members. Thirdly, the OAU meets twice frequently (at both the ministerial level twice a year — and summit level — once a year) as the nonaligned, and possesses a permanent secretariat. This has meant that there has been a tendency for the OAU to become, in a sense, the "motor" of the nonaligned grouping, or at least the dominant component.

There have been repeated attempts to formalize the nonaligned grouping by providing it with a secretariat, but as yet

Havana offered 'olive branch' with word it would sever diplomatic links with Israel

ment has never been reached, partly because of fears of some "moderate" states such as India and Nigeria that such a secretariat would be taken over by the militants". However, the lack of a proper secretariat has meant that the government acting as host to any particular non-aligned meeting has to perform the preparatory functions normally carried out by an international institution's bureaucracy. This has been a contributory factor in creating the working difficulties experienced at nonaligned meetings. At Algiers, for example, even though the summit meeting lasted a day longer than planned, the delegates failed to pass many of the resolutions that had been planned and, in the corridors if not in the public speeches, frequent criticisms of the lack of adequate preparatory political spadework could be heard.

The plenary sessions of nonaligned summit meetings are in themselves of very doubtful value, a fact that is recognized by many of the participants. They are the occasion for a whole flock of heads of state to read usually long, and often tedious, speeches (some of the heads of state at Algiers looked as if they were as bored as their listeners with the speeches their officials had prepared for them). Many such declarations were clearly prepared mainly with an eye for home consumption rather than as a contribution to an international debate on what the nonaligned group should be doing.

Importance of dialogue

However, having said this, one cannot write off these gatherings as useless, because they at least give the leaders of nonaligned countries an opportunity — perhaps one should say "excuse" — to meet informally or in small groups. Such meetings are almost certainly more important than the formal conferences themselves. It is therefore important to note the nature of the "atmosphere" of any particular nonaligned summit meeting, for this will inevitably have coloured all the private discussions that took place and will probably have played a vital role in that complicated and mysterious process by which politicians form their opinions (or change their minds).

At the Algiers summit meeting, the underlying theme was the belief, very widely held and expressed, that the main division in the world was no longer ideological but was between the rich industrialized nations and the poor underdeveloped ones. It seems likely that because of

this the nonaligned grouping will direct its efforts increasingly toward doing something to reduce the great disparities between the rich and the poor nations. But there are snags.

There is a natural tendency to associate the nonaligned nations with the underdeveloped nations, or so-called Third World. Indeed, it is often assumed that the two coincide. In fact, they do not, because the nonaligned grouping is still saddled with much of its Cold War baggage. For example, Pakistan and certain other typically Third World countries have never been members of the non-aligned grouping, either because of membership in the West's military pacts or of the presence of foreign military bases on their soil — both of which have always been obstacles to admission. (At Algiers, Malta was with difficulty admitted to the nonaligned "club" after promising that Britain and NATO base facilities would be terminated at the end of the current agreement.)

Wide disparities

Even if these political requirements were dropped (and the nonaligned are more indulgent toward Eastward leanings than Westward leanings), it would still be difficult to provide satisfactory Third World criteria. For, in economic terms, just as in terms of politics or ideology, there are wide disparities between members. Yugoslavia, for example, is, by the standards of most other members of the grouping, a rich industrialized country. And how do you equate oil-rich Kuwait with potentially bankrupt Chad?

The conclusion must be that it is simply not possible to define in any satisfactory way the nonaligned grouping — that it is, and will probably remain, a large, unwieldy body that will take few practical political or economic decisions. However, like many other unlikely institutions, it has developed, with the passage of time, a curious life of its own. It will probably, therefore, continue to exist.

It is also probable that it will continue to provide an opportunity for some of the leaders of the Third World to meet from time to time, formally and informally. It will, therefore, continue to play some sort of role in the formation of political opinion in much of the developing world. This is not much — certainly far less than is claimed in all those grandiloquent public speeches by heads of state at non-aligned summits. But it is something.

*Site for bases
of foreign states,
certain nations
in Third World
do not fall
within grouping
of nonaligned*

The Vatican's political role in the international sphere

By John E. Robbins

The terms "Vatican" and "Holy See" tend to be used interchangeably, though there is a distinction in precise usage. The Vatican is a regular member of international organizations such as the Universal Postal Union, the International Union for the Protection of Literary and Historical Works and others concerned with matters essentially of a state-administrative nature. The Holy See conducts the international activity of the Roman Church, has diplomatic relations with about 80 countries and representation in numerous international organizations of a political character, including the United Nations and the European Community.

The Vatican is the world's smallest state, with an area of 108 acres and a resident population of only a few hundred; the Holy See reaches out to something like 600 million members of the Roman Catholic communion. There are very few centres in the world having established lines of communication and influence with a comparable number of people; and there are fewer with national "branches" openly active in so many countries. From this arises the importance of the Holy See as a centre of diplomatic activity.

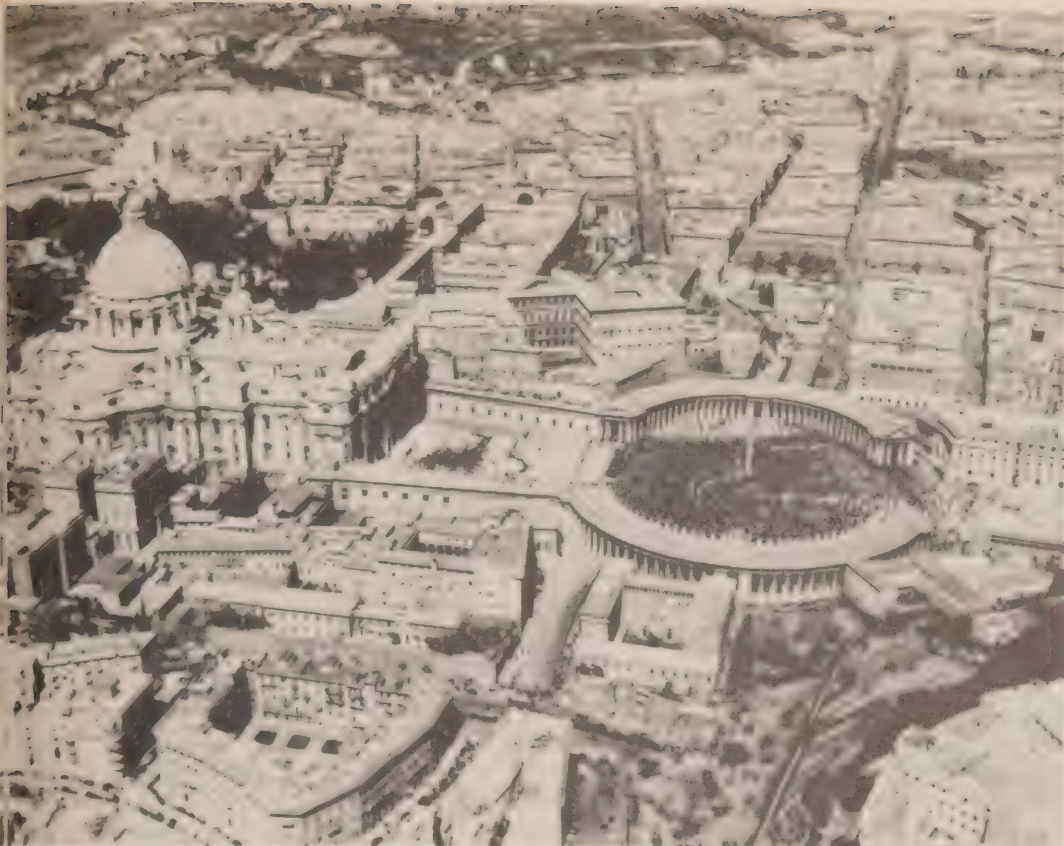


Dr. Robbins had a distinguished career in the educational field before entering the Department of External Affairs in 1970 as Canada's first Ambassador to the Holy See. He was editor-in-chief of Encyclopedia Canadiana from 1953 to 1958, then secretary-treasurer of the Social Science Research Council and Humanities Research Council for two years and president of Brandon College (later Brandon University) from 1960 to 1969. Before his entry into these fields, Dr. Robbins was assistant director of the Education Division, and then director of the Education and Information Divisions of the Dominion Bureau of Statistics (now Statistics Canada) for 21 years. He retired from the Vatican post in 1973 and has been succeeded by Paul Tremblay, Associate Under-Secretary of State for External Affairs.

The dual nature of representation in the countries with which the Holy See has diplomatic relations should be kept in mind. A Vatican diplomat abroad (1) the channel of communication with the national Church and (2) the intermediary between the Holy See and the national government. Diplomats accredited to the Holy See have intergovernmental responsibilities only, and avoid involvement in questions on which the Church takes a doctrinal position, such as divorce, birth control and abortion, even though these may have important social and political implications. The Holy See's diplomats similarly avoid discussion of such matters with the governments to which they are accredited, leaving it to take place, if at all, between the national hierarchy and the national government.

The prime interest of the Holy See in its dealings with other countries is to ensure freedom for the Church in particular, and for religion in general, to develop without state interference. Unless or until Rome is satisfied that a reasonable measure of freedom is allowed, diplomatic relations are not established. Hence the lack of formal relations with Marxist-oriented governments, except those of Cuba and Yugoslavia. In the last few years there have been behind-the-scenes talks with other major Communist regimes, China excepted, aimed at improving the Church's position; and it seems not unlikely that in the foreseeable future, diplomatic relations will be established with some of them. But serious obstacles remain, even in the infrastructure of the Church. The Ukrainian Catholic Church, for instance, which is in communion with Rome, was liquidated in the U.S.S.R., and its spokesmen elsewhere are highly critical of efforts by the Holy See to have amicable discussions with Moscow.

Vatican Council II clearly decided to facilitate dialogue with the Marxist-inspired countries when it established the new Secretariat for Non-Believers. At the same time it demonstrated a conviction



Canada Wide Feature Service photo

General aerial view of Vatican City. The Vatican is the world's smallest state, but the Holy See, which conducts the international activity of the Roman Catholic Church, reaches out to about 600 million members of the Catholic communion and

has diplomatic relations with 80 countries and representation in many international organizations of a political character including the United Nations and the European Community.

That all the major religions had a need for mutual understanding and collaboration in religious freedom was to be achieved or preserved, by establishing the Secretariat for Non-Christians. A third body, of similar structure, created by Vatican II is the Secretariat for the Union of Christians, on whose initiative there have been talks in depth with the Orthodox, Lutheran, Anglican and other Churches, all prompted by the conviction that, if a religious view of life is to prevail in the modern world, the frictions of the past must be forgotten and the common basic elements of faith made the focus of attention.

Concern for welfare

But freedom of the Church and of religion is not the only diplomatic concern of the Holy See. The religious view of life implies a humanitarian concern for the welfare of people everywhere. No great national or regional disaster goes unnoticed by the Vatican, and, especially if it is in a poorer country, financial or material assistance is promptly provided. The religious glorification of the people concerned is of no significance; in one area of the world, for instance, emergency assistance was provided in relatively quick succession to

victims of the Assam earthquake, East Pakistan floods and the civil war that produced Bangladesh. The network of Roman Catholic charities is vast, and Cor Unum, an agency established in 1971 to co-ordinate the efforts of international, national and local Church agencies, makes consultation and co-operation with governments easier.

Peoples suffering deprivations in their normal lives are also of central concern to the Holy See. The 1960s produced Pope John's encyclical *Mater et Magistra*, on Christianity and social progress, and Pope Paul's *Populorum Progressio*, on the development of peoples. In 1971 came Paul's Apostolic Letter addressed to Cardinal Maurice Roy as President of the Council for the Laity and of the Pontifical Commission for Justice and Peace (both offshoots of Vatican Council II). In striving to improve the lot of deprived populations, the Holy See welcomes consultation with governments of countries such as Canada and with international development programs, and participates actively in the work of international organizations such as UNCTAD, UNESCO and FAO.

Economic deprivation is only a part of the concern. The denial or loss of political

*Clergy held
as prisoners
of new regimes
have constituted
growing problem*

freedom in so many countries is the cause of constant distress at the Vatican. To attempt to do anything constructive about it on a bilateral basis is always a delicate matter. There was the occasion in 1970, for instance, when Paul VI gave an audience to rebel leaders from the three Portuguese African colonies, and strained relations with Portugal. In openly expressing disapproval of government action, the Holy See is especially vulnerable to reprisals, for an offended government may promptly harass or suppress the national Church. Hence expression of disapproval, even if provided by specific acts, is usually couched in general terms, though there have been exceptions.

Political prisoners have in recent years been a growing problem, as more and more constitutional governments have been displaced by violent means. Priests, and in some cases bishops, have been imprisoned with other opponents — actual, potential or imagined — of the new regimes. Retention in prison without trial and torture of prisoners have been the subjects of repeated diplomatic protests on the part of the Holy See. In the instance of Guinea in 1971, the summary execution of some 150 political prisoners was publicly condemned in the strongest terms by the Pope himself.

The Church enjoins its bishops and clergy not to become involved in political activity, and its faithful to avoid violence. There is a difference here between the Roman Church and others. The World Council of Churches, in providing financial assistance to resistance movements in Southern Africa, may support armed resistance. The Church of Rome is firm in not permitting its resources to be used for any but peaceful means of protest.

Focus on Vietnam, Middle East

Prolonged or recurring local wars have been of the utmost concern to Paul VI and those around him, as they were to John XXIII when, in 1963, he issued the encyclical *Pacem in Terris*. This concern, with Vietnam and the Middle East especially, probably had more than anything else to do with President Nixon's revival in 1970 of the practice in the 1940s of having a personal envoy of the President accredited to the Holy See. Henry Cabot Lodge admitted to repeated discussions with Paul

VI on means of ending the Vietnam war and the diplomats of other countries have consistently found the problems of achieving durable peace there foremost in the mind of the Pope.

While the Holy See has diplomatic relations with nearly all the Arab countries, it still does not have an exchange of ambassadors with Israel. But interest in the problems relating to creation and survival of the state of Israel is intense, and likely to be in evidence when a head of state, such as Golda Meir, a minister or diplomat is received by the Pope. Nothing would give him greater satisfaction than to play a helpful role in achieving a just and lasting peace in that part of the world where the Christian Church finds its origins.

Broadly speaking, then, the objects of Vatican diplomacy are twofold: (1) freedom of the Church and of religion and (2) the welfare of people. With Canada, there is little for discussion under either heading on the domestic scene. In countries in which the Holy See has concordats, admitting a voice of the state in the affairs of the Church, such as the appointment of bishops in Spain, there may be long and difficult exchanges under (1). With countries having oppressed minorities, or oppressive minorities in power, there may be frequent or prolonged discussion under (2).

Canada shares the Vatican's concern for the welfare of people everywhere. Its program of international assistance is an important part of Canadian foreign policy and Canada has demonstrated a readiness to share in peacemaking and peacekeeping on numerous occasions. Exchanges of information and views can be helpful to both Vatican and Canada in discussing differences in their points of view and pursuing their common ends. Canada is held in high regard by the present Pope and those closest to him, as a country in which people of diverse origins live together amicably and as an unselfish and intelligent voice in world councils. Conversely, Canada respects the Holy See as an informed and unselfish power in world affairs. With the existence now of diplomatic ties, this mutual trust should grow and facilitate the achievement of common aims.

Advocating scientific approach for diplomats and academics

André P. Donneur

has long been a commonplace to contrast the practitioner, who deals in facts, with the theoretician given to flights of fancy. In the field of foreign policy, the speculations of academics specializing in international relations have been greeted by diplomats with either tolerant or irritated scepticism. I am referring here to officials of the Department of External Affairs either on foreign assignment or working out foreign policy at their headquarters in the national capital.

Similarly, the average academic has long considered his foreign-service counterpart as a bureaucrat enmeshed in diplomatic correspondence, incapable of rising above daily events to conceive new policies or, at best, acting intuitively without true awareness of the laws of reality. This mutual distrust, often tinged with contempt, has long characterized, in Canada as elsewhere, the very limited relations existing between the two groups.

All this has begun to change, however, as Geoffrey Pearson pointed out in the last issue of *International Perspectives* (November-December 1973). In the United States, many academics have contributed since the Sixties, not always happily, to the elaboration of foreign policy. In Canada, the practice was initiated some time ago of sending officers of the External Affairs Department to spend a year at selected universities. More than a year ago, this innovation was paralleled by the deployment, for one year at a time, of a member of the academic community in the Department's Policy Analysis Group in Ottawa.

As a matter of fact, the scepticism of diplomats about the work of academics was fully justified. The study of international relations had long remained the preserve of historians, who concentrated on selected events of the past and whose analyses were of little value in formulating current foreign policy. Between the two camps, studies in international relations had been, apart from that, the work of jurists who were seeking ways to promote peace

through the negotiated settlement of conflicts. After the Second World War, some academics attempted to describe the web of international relations in a realistic way. This period was marked by the publication of *Politics Among Nations* by Hans Morgenthau and numerous other comprehensive works on international relations.

A new approach

Beginning in the Sixties, however, many academics endeavoured to improve on these first great frescoes, now considered traditional. The scientists' hour was at hand. Important work was done in clarifying the assumptions already advanced, often brilliantly, by traditional authors, as a result of which these hypotheses could be properly tested. Instead of continuing to attribute phenomena to the vague causes suggested by intuition, variables were introduced and assessed as accurately as possible, and the reformulated hypotheses were then checked.

A number of books and articles published during the past decade bear witness to the initial results of this scientific approach. The articles appeared mostly in *The Journal of Conflict Resolution*, *Peace Research* and *Peace Research Society Papers*, but some were published in other periodicals, either of the traditional type, like *World Politics*, or covering the whole range of political science, such as the

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American Political Science Review. Especially noteworthy among the books are a number of selections such as: *Quantitative International Politics: Insight and Evidence* (1968), edited by J. David Singer; *Social Processes in International Relations* (1969), edited by Louis Kriesberg; *Approaches to Measurement in International Relations* (1969), edited by John Mueller; Part Five of the monumental and invaluable *International Politics and Foreign Policy* (1969), edited by James N. Rosenau; and *Méthodes quantitatives et intégration européenne* (1970), edited by Dusan Sidjanski.

Conflicting or complementary?

The development of this scientific approach met with strong opposition within the academic community from the proponents of the so-called classical approach — that is, those who reject measurement as being premature, partial or devoid of interest. *Contending Approaches to International Politics* (1969), a selection edited by Hans Knorr and James Rosenau, contains articles by various “scientific” and “classical” authors reproducing the current arguments of both schools. The classical argument, often rehashed, always focuses on the same themes: the scientific movement is characterized by its rejection of intuition and creative imagination, indifference to ethical problems, greater attention given to minor and trivial points added to the impossibility of tackling essential questions, the use of models or conceptual schemes removed from reality, the fetishism of measurement which only confirms what was already known and, lastly, the absence of links with history. Save on this last point, my experience has been that many diplomats share these views of the traditional academics.

Even though some dedicated quantifiers pay little heed to intuition, imagination and moral sense, such a reproach hardly applies to great masters of the scientific approach such as Karl Deutsch and J. David Singer, who have displayed a remarkable creative imagination and whose works clearly demonstrate their philosophical and ethical concerns. Far from overlooking the “great” issues dealt with by the classical authors, the scientific approach is designed to authenticate or invalidate the hypotheses they advance. There is thus a link of continuity between the two approaches, and even a complementary aspect. Indeed, the use of measuring techniques presupposes the existence of propositions set forth in the classical manner. But, whereas classical writers provide at most only a few histori-

cal examples in support of their statements, the scientific approach subjects them to comparison with a range of systematically collected data. For example, it is commonly stated that non-aggressive pacts have seldom amounted to more than “scraps of paper”, and the German-Soviet pact of 1939 is given a supporting reference. However, the “depth” research conducted by J. David Singer and Melvin Small, in the framework of the correlates-of-war project, reveals among other things that between 1914 and 1945 the signers of such pacts actually remained neutral in 93 per cent of cases. Only a quantitative study could invalidate a false assertion of this kind based solely on enduring prejudice.

The use of models

Diplomats share the attitude of members of the classical school in rejecting models and most of them are even more distrustful than the latter in their bristling objection to any model or conceptualizing. They claim to be concerned solely with facts. But in reality their presentation of problems conforms to one of the two following formulas: they either line up generally known facts whose interrelations remain obscure, or they conceptualize without being aware of it and organize their facts into a model. I have had the opportunity to observe the latter approach adopted by one of the fiercest opponents of models among Canada's diplomats.

Now the model, paradigm or conceptual scheme is nothing more than an intellectual tool making it possible to organize facts that would otherwise remain disordered. It is preferable to formulate one's scheme of thought clearly than to do so unconsciously. Obviously, a model must stay as close as possible to reality, but the best way of maintaining this close contact would seem to consist in constructing models based on operational concepts.

The charge about measuring dissimilar phenomena or elements, of adding apples and oranges, is a familiar one. However, as J. David Singer observes, what harm is there in doing so if fruit is the unit of research? In other words, when the elements are sufficiently similar to allow comparison, it seems obvious that they cannot be exactly the same since they would otherwise be no point in comparing them! It should be noted also that statistical techniques allow the measurement of a greater number of factors than the imagination, for instance, by means of classifying by rank.

The objection against quantifying on the ground that it can only confirm

Cannot reproach great masters of the approach for failure to pay heed to intuition, imagination and moral sense

as already known, is as familiar as it is
-founded. First of all, it happens often
ough that a person will in dissimilar
uations sustain two contradictory points
view on the same question or, again,
om one chapter of a book to another.
he scientist clearly has nothing to offer
someone who "always knows it all",
no takes such an approach regarding
whatever situation may be uncovered by
scientific research. It is, nevertheless, true
at scientific confirmation of an intuiti-
ly-formulated proposition is better than
lying on intuition alone.

Measurement of Canada's role

It is also note that there are more con-
tradictory views advanced on the same
project than one supposes. For instance,
had concluded in the Policy Analysis
Group that Canada's rank and role in
international affairs tended to be under-
estimated in this country by academics,
journalists and even diplomats, while be-
ing more highly regarded abroad. How-
ever, a quantitative study showed us that
Canada's role was more highly valued at
home than we had intuitively supposed.
Lastly, there is a so-called intuitive know-
ledge that has no connection with reality.
With that regard, a quantitative study carried
out by Professor Donald Munton of Dal-
housie University, bearing on the period
from 1957 to 1970, has shown that the
"model" of Canadian-American relations
based on co-operation and goodwill was
"grossly inaccurate" and something of a
liability. In truth, a model of conflict
seemed more in accordance with the facts.

It seems hardly necessary to add,
with reference to the studies previously
cited, that the scientific approach is in
no way cut off from history. On the con-
trary, it systematically reviews all the
case-histories provided by a given period
instead of selecting here and there, as the
classical school does, isolated references
to support their theses while overlooking
events that would invalidate them.

As a matter of fact, the steps taken
by the academic and the diplomat are not
very dissimilar at the initial stage. Their
work consists in gathering, assessing, in-
tegrating and interpreting various kinds
of information. The politician, on the other
hand, has a very different task, that of
taking decisions on the basis of the options
arising from data-interpretation. Now the
gathering and processing of data can be
done either intuitively or scientifically;
diplomats and academics may follow one
course or the other, but they would both
gain by resorting to the scientific method.
The diplomats are moving in this direc-
tion, preceded for some years — it should
be noted — by the strategists. In the
Canadian Department of External Affairs,
even though most diplomats still favour
the classical approach, there is evidence
that the soundness of more scientific tech-
niques is becoming appreciated. System-
atic studies have been made and others
are under way, a departure which appears
promising for the future. It would be
paradoxical, and regrettable, if important
sectors of the Canadian academic com-
munity were to lag behind.

*Steps taken
by academic
and diplomat
not so dissimilar
at initial stage*

The pendulum of historical judgment
on events and conditions, on their nature
and causes, customarily swings from one
conclusion to the extreme opposite....

This is true of what we now know as
the Cold War. The dangers to the peace
and security of the West from Soviet ag-
gressive and threatening policies, and the
consequences resulting therefrom, were, in my
view, the main sources of the hostile con-
tentions during the postwar period and
the steps taken to organize collective
defence within and outside the United Na-
tions for protection. Twenty-five years
later, since the world is still intact and
the forces we feared have acquired an
aura of respectability..., the revisionists
go to work to prove that there never
was any threat to peace from the other
side of the Iron Curtain, that the Krem-

lin was seeking only security by defensive
measures, and that Stalin wished only for
peaceful co-existence. It was the Penta-
gon, so it goes, in the interests of United
States imperialism, which exaggerated, if it
did not manufacture, the menace to peace
from Communist imperialism. Washing-
ton kept the cold war hot for its own
power purposes. Canada and other West-
ern countries, therefore, were hoodwinked
into seeking 'collective security' under
United States leadership which was as
unnecessary as it was unwise....

As one who went through those years
in a position of some authority, I find this
kind of criticism, or rationalisation, if you
will, singularly *unimpressive*.... (Excerpt
from *Volume Two* of *Lester B. Pearson
Memoirs*).

Pearson in the postwar decade helping keep the cold war cold

By George Ignatieff

Goethe said: "The best thing we get out of history is the enthusiasm it rouses." *Mike*, Volume II, is the kind of history that rouses enthusiasm in layman and scholar alike. For here we find history that tells us how it came about that Canada played such an active and constructive part in preventing catastrophe during the critical decade when the nations, having caught a glimpse of "One World" through the creation of the United Nations, had to live through the bitter disillusionment of having to adjust to a world divided by the Cold War. It is a success story — a Canadian success story.

This volume, in fact, covers only that part of L. B. Pearson's story in which his success was most conspicuous: the period from that day in September 1948 when he became Secretary of State for External Affairs until December 1957, when he was awarded the Nobel Peace Prize. This event, which, in a sense, set the mark of international recognition for the achievements of Mr. Pearson, arouses not only

enthusiasm but a legitimate curiosity about how such recognition came to the Canadian to win this award, which is most highly esteemed by those who work for peace.

Volume II suffers from the obvious disadvantage of having been the product of an editorial group, who had to work mostly on an uncompleted text. The fact that the reader's curiosity is satisfied about what made Mr. Pearson one of the greatest international statesmen of this time is a tribute to the painstaking care that has gone into the assembling and checking of Mr. Pearson's material, which represents an important contribution to Canadian and international history in this fascinating period of transition from one world to a bipolar world, from universalism to globalism.

Knowing that his days were numbered, L. B. Pearson wrote the truth as he saw it, without fear or favour, or a sense of justifying himself. As his biographer Geoffrey explains, only five of the 11 chapters were written by Pearson himself. J. J. Munro and Alex Inglis, however, have done such a sensitive job in editing the rest of the material garnered from diaries and memoranda, that the scholars and laymen are indebted to them and Geoffrey Pearson for preserving as much as possible the full impact of Mr. Pearson's thoughts and words. They come through with a stark reality without suffering the fate of most diplomatic memoirs, of over-polishing, over-tactful omissions and self-justification.

The guideposts of Canada's postwar foreign policy are both clearly marked and explained. So are the alternatives to "participatory internationalism", as Mr. Pearson called his brand of creative diplomacy which gave Canada a decade of being at the forefront of international statecraft.

Faced with the division of the world into two adversary power blocs, with the United States and the Soviet Union striving for hegemony over its respective region (with Canada in the middle),

George Ignatieff, currently provost and vice-chancellor of Trinity College, University of Toronto, spent 32 years in the External Affairs Department, serving in a number of senior posts. From early 1969 until his appointment as provost at Trinity College in the fall of 1972, he was Ambassador and Permanent Representative of Canada to the Conference of the Committee on Disarmament at Geneva. Earlier, he served abroad in London and Washington, with the Canadian Permanent Delegation to the United Nations and was Ambassador to Yugoslavia. From November 1960 until mid-1962, he was Assistant Under-Secretary of State for External Affairs. Mr. Ignatieff was named Ambassador and Permanent Representative of Canada to the North Atlantic Council in 1962, and in 1966 he became Ambassador and Canada's Permanent Representative to the UN before being named to the Geneva post in February 1969.

Pearson rejected the idea of isolationism that had haunted him from the days of his former chief and predecessor, Mackenzie King. As he writes: "Since Canada could not escape the effects of international storms by burying her head in the sand, she should play a part in trying to prevent storms by accepting international commitments for that purpose."

He likewise rejected "activism" for its own sake, and frankly admitted that the responsibilities assumed by Canada in the postwar era were temporary. "The war," he writes, "had weakened many other countries, and destroyed some, and had left Canada economically strong and physically intact. It was this temporary situation, and our utilization of it, that made our international policies and actions more bright than they would otherwise have been."

Learning about role

Dealing with equal frankness to the implied criticism in *Foreign Policy for Canada* of Canada's being cast in the role of "helpful fixer", Mr. Pearson writes: "I have many times pointed out that we can exaggerate our influence and over-play our participation in international affairs." In fact, as he says, he regarded a broad and active internationalism as very much consistent with the Canadian interest of preserving our sovereignty by establishing a balance between "a too exclusively continental relationship" and our "wider British Commonwealth, French and other international connections".

The essentials of Mr. Pearson's philosophical framework of internationalism are expressed in these words, which bear repeating: "I am certain that, for Canada, isolation can never be a principle of policy, more than can imperialist expansion. Anything that happens in the world affects us, and to a degree greater than most countries. Consequently, it is always foolish to assume that we can safely leave vital matters of war and peace to the Great Powers, while we modestly concentrate our energies on protecting our sovereignty and increasing our gross national product."

"Participatory internationalism" for Mr. Pearson meant not shirking a responsibility, when sought — but not looking for it as "helpful fixer". I remember, in the middle of the Suez crisis, answering end-of-the-day telephone calls at his suite in the Marlborough Hotel, New York, which came pouring in from Cairo, New Delhi, London and Washington, as Mr. Pearson worked away with patience to establish UNEF, in the face of the eye of the Suez storm.

He did not seek election to the Secretary-Generalship of the United Nations or of NATO, or the presidency of the United Nations General Assembly, or to be one of the "Three Wise Men" to help rescue NATO from the disarray within the alliance after Suez. As Hume Wrong, probably his closest confidant, once said to me: "Mike is like a Houdini — put him in the middle of a crisis and he will get himself out of the mess, and in the process will help others to get out of it as well."

Taking risks

This quality of intuitive judgment, coupled with an idealistic willingness to take risks for peace, while never succumbing to the "cult of personality", made him a natural healer to turn to in time of trouble. His warm and friendly personality became recognized as the personification of all that was best in the Canadian character and, as the Cold War cut a chasm among the nations, bringing in its wake a drift to regionalism instead of the hoped-for universalism, he more than anyone helped to keep the Cold War cold.

"For many are called, but few are chosen" — in international affairs, as in other branches of human affairs. Mr. Pearson was chosen over others, primarily because he really cared, and showed it by a demonstrated willingness to throw himself unreservedly into whatever he undertook to do. I was first impressed by his unusual capacity for concentrated effort when we worked together at Canada House during the war. He would start with his "in-tray" piled high with files early in the morning, and by noon it would be empty. And "paper-pushing" was no measure of the extent of his already substantial influence on wartime London.

This capacity to care, as well as his foresight, emerge from his memoirs, as does the quality of his diplomatic craftsmanship, and the hard work he put into the discharge of his responsibilities, as President of the General Assembly, for instance, when he was trying to prevent the Cold War confrontation dividing the superpowers in Europe, from being extended to involve China over the Korean crisis. The handling by the United States of China's intervention in Korea after General MacArthur crossed the 38th Parallel and was urging the bombing of Manchuria produced what Mr. Pearson called "one of the most serious divisions we have had with the United States on policy." The story is recorded by Mr. Pearson in detail in the appendices. The differences which also developed over the question of the condemnation of China, while trying

'Intuitive judgment coupled with an idealistic willingness to take risks for peace'

Bid to prevent confrontation of superpowers being extended to involve China in Korean crisis

to secure its co-operation with UN efforts to bring the fighting in Korea to an end, led Mr. Hickerson (of the State Department) to say to Mr. Wrong (the Canadian Ambassador) "that never had the State Department been subjected to such arm-twisting. He said that they would take it from nobody but Canadians!"

Mr. Pearson's qualities of foresight and caring for the future also emerge in his conception of NATO as a co-operating Atlantic community, rather than just as an old-fashioned military alliance, and his efforts to salvage something of the essentials of that community through improved consultations after Suez. Would that the other allies had the foresight to see what Mr. Pearson saw in Article 2 of the North Atlantic Treaty, and not allowed the economic transatlantic ties to wither, while expecting continuing American defence guarantees, without the exercise of hegemony over the Atlantic region.

Focus on peace

Above all Mr. Pearson cared about peace. As a son of the manse, he had been brought up to pray for it; but, as he says: "I knew that peace was a policy as well as a prayer." This volume of Mr. Pearson's memoirs, as well as Volume I, reveals the extent that his experience in two world wars, first as a soldier at the front and in the second sharing the vicissitudes of Londoners under bombardment (when, indeed, the front might at times have been a safer place) made the search for "creative peace", as he called it, something like a search for the Holy Grail for him.

In this search, Mr. Pearson not only worked for the strengthening of international organizations at the United Nations, NATO and the Specialized Agencies, such as FAO (of which he was one of the founders); he went out to cultivate understanding and respect for the Canadian point of view through restless travel to many of the world's capitals. These visits, and the frank comments which they evoked in his diaries, make fascinating reading, and have been put to good use by the editors.

The most historic of these visits, to which Mr. Pearson devotes a whole chapter, was his visit to Nikita Khrushchov. It was historic because it came so soon after the death of Stalin and on the eve of Mr. Khrushchov's taking over supreme power in the U.S.S.R. It was also the first visit by a foreign minister from Canada — indeed, from any NATO government. For Mr. Pearson it was a mission of discovery and peace. The fact that it produced the first of a series of major Canadian wheat sales to the U.S.S.R. — for 300,500,000

tons a year for three to five years — was Mr. Pearson a fringe benefit. What he bent on exploring was whether the leadership in Russia was going to put the kind of striving for hegemony that left Europe divided, Korea and Indochina partitioned and NATO standing to a with periodic crises over Berlin, or whether in the broader interests of survival in the atomic age, there was to be any hope of "peaceful coexistence".

Response from Khrushchov

The response Mr. Pearson obtained from Mr. Khrushchov was ambiguous, and the effect that *détente* must start with the winding-up of NATO or the mission of the U.S.S.R. into NATO which amounted to much the same thing. As in most of his other international initiatives, Mr. Pearson was a Canadian finder in the search for a basis of a *détente* which has since borne some fruit.

An excerpt from the diary I kept as a member of Mr. Pearson's party serves I believe, to bring out this point, with Mr. Pearson's own diary, concentrating on what the Soviet leaders — rather than himself — had to say, overlooks (far from a luncheon for Molotov at the Canadian Embassy, October 10, 1955):

"The talk around the table kept coming back to the theme that Canada should be a bridge between the U.S.A. and the U.S.S.R., using its influence in favour of coexistence and the reduction of tensions. The Minister (Pearson), always kept his own end up in the exchange, making it clear that, while Canada realized its difficult position between the two principal world powers, we would not easily fall for Soviet advances. Malenkov (then PM) in particular was impressed by the Minister's quip that: 'Nothing is more exhausting than friendly pressure.' Speaking to Kaganovich across the table, he said in Russian: 'That was a very shrewd remark.' Malenkov struck me as by far the most attractive personality among the Soviet leaders we met, was very interested in the remark by the Minister. The effect that, in a nuclear war, neither side could expect to escape dreadful devastation, and that should be the point of departure for any reduction of international tensions. Malenkov said to Kaganovich (again in Russian): 'Did you hear that — that's what I've been saying.'"

Enigmatic in his personal relations, sharing confidences with few, but commanding, by their confidence in him, the devoted support of many — Mr. Pearson never overlooked the fact that, ultimately, international relations are personal relations. No one put this more clearly than Mr. Pearson himself in his speech accepting the Nobel Prize for Peace: "In the end, the whole problem always returns to people; yes, to one person and his individual response to the challenges that confront him. In the response to the situation he has to meet as a person, the individual

*Bent on probing
directions
of Soviet policy
under Khrushchov*

cepts the fact that his own single will not prevail against that of his group, his society. If he tries to make it prevail against the general will, he will be in trouble. So he compromises, and agrees, and retreats. If there is to be peace, there must be compromise, tolerance, agreement."

Mr. Pearson was no proselytizer; the only soul he was concerned to save was his own. But in circumstances when electronic hardware increasingly dominates our lives and threatens to displace personal relations, Mr. Pearson's words, in Volume

II and his example should be read and re-read by those who want to know what contributed to Canada's diplomatic golden age. *MIKE: The Memoirs of the Right Honourable Lester B. Pearson*, Volume II (1948-1957). (University of Toronto Press, 1973).

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Documents on External Relations, Volume 5, 1931-1935; Volume 6, 1936-1939.

These volumes are the most recent in a series that constitutes the basic published record of the foreign policy and international relations of the Canadian Government. They are designed to provide a comprehensive account of the major foreign policy decisions taken by the Government and the reasons for them, as well as of the main international events and trends affecting Canada. The volumes in the series are compiled and edited on behalf of the department by professional historians working under the supervision of the department's Historical Division.

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- No. 98 (October 19, 1973) Visit of Secretary-General of the Organization for Economic Co-operation and Development.
- No. 99 (October 25, 1973) Visit of Secretary of State for External Affairs to the U.S.S.R.
- No. 100 (October 25, 1973) Senator Martin to represent Canada at the fiftieth anniversary celebrations of the Turkish Republic.
- No. 101 (October 26, 1973) Visit by Sir Christopher Soames, Vice-President of the Commission of the European Communities — November 1 and 2, 1973.

- No. 102 (October 28, 1973) Canadian participation in the United Nations Emergency Force.
- No. 103 (October 29, 1973) Conference on Canada and the European Community.
- (October 30, 1973) MBFR negotiations — statement by Mr. G. K. Grande, head of the Canadian delegation, Vienna.
- No. 104 (November 2, 1973) Conference of Ministers of Youth and Sport.
- No. 105 (November 6, 1973) Appointment of Mrs. Brenda Norris as a Canadian member of the Roosevelt Campobello International Park Commission.
- No. 106 (November 7, 1973) International Human Rights Conference, Tehran, 8-15 November, 1973.
- No. 107 (November 7, 1973) Indo-Canadian Economic Consultation, New Delhi — participation of Canadian officials.
- No. 108 (November 21, 1973) Pan-American Institute of Geography and History — appointment of Dr. Arthur Blanche as chairman.
- No. 109 (November 23, 1973) Diplomatic appointments: Mr. Charles John Smith, Ambassador of Canada to the People's Republic of China, to be concurrently Canadian Ambassador to the Democratic Republic of Viet-Nam; Mr. Gordon Riddell, Canadian Ambassador to Thailand, to be concurrently Ambassador to the Republic of Viet-Nam.
- No. 110 (November 23, 1973) International Civil Aviation Organization, Council — appointment of Canadian representative.
- No. 111 (November 26, 1973) Second conference of ministers of education of European states, Canadian participation.
- No. 112 (November 24, 1973) Visit of the Secretary of State for External Affairs to the U.S.S.R. — November 19 to 24 — joint communiqué.
- No. 113 (November 29, 1973) Establishment of diplomatic relations between Canada and the Mongolian People's Republic — communiqué.
- No. 114 (December 3, 1973) Appointment of Norman Berlis as Canadian representative on UN Economic and Social Council.
- No. 115 (December 4, 1973) United Nations Education and Training Programme — Southern Africa and International University Exchange Fund — Canadian contribution to.
- No. 116 (December 5, 1973) *Greenpeace* I — assistance to Mr. David McTaggart.
- No. 117 (December 5, 1973) Case of Ronald Patrick Lippert.
- No. 118 (December 10, 1973) Canada-U.S. Mixed Commission on General Exchange — 1974-75 program.
- No. 119 (December 10, 1973) Universal Declaration of Human Rights anniversary — statement by Secretary of State for External Affairs.
- No. 120 (December 17, 1973) Continental Shelf between Canada and Greenland — agreement relating to delimitation.
- No. 121 (December 18, 1973) Canada extends its service in United Nations Force in Cyprus.

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- 129 Forthcoming Conferences in which Canada will Participate.
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- 73/20 Canada and China - A Little Mutual Admiration. A press statement by Prime Minister Pierre Elliott Trudeau issued at Peking on October 13, 1973.
- 73/21 New Canadian Ties with China. A statement by Prime Minister Pierre Elliott Trudeau to the House of Commons, October 19, 1973.
- 73/22 Reducing the Credibility of War as a Tool of Government. A statement in the First Committee of the twenty-eighth session of the General Assembly of the United Nations in New York on October 24, 1973, by Mr. W. H. Barton, Ambassador and Permanent Representative of Canada to the Conference of the Committee on Disarmament in Geneva.
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Peru

*General Agreement on Technical Co-operation between the Government of Canada and the Government of the Republic of Peru.

Lima November 23, 1973.

Poland

Long-Term Grain Agreement between the Government of Canada and the Government of the Polish People's Republic.

Ottawa December 12, 1973.

In force December 12, 1973.

Venezuela

Exchange of Notes between the Government of Canada and the Government of Venezuela constituting a renewal of the *modus vivendi* dated October 11, 1950.

Ottawa November 20, 1973.

In force November 20, 1973,

with effect from October 11, 1973.

Yugoslavia

*Trade Agreement between the Government of Canada and the Government of the Socialist Federal Republic of Yugoslavia.

Belgrade October 24, 1973.

*Agreement will enter into force when ratified.

Multilateral

International Telecommunications Convention.

Done at Malaga-Torremolinos October 25, 1973.

Signed by Canada October 25, 1973.

Optional Additional Protocol to the International Telecommunications Convention.

(Compulsory Settlement of Disputes)

Done at Malaga-Torremolinos October 25, 1973.

Signed by Canada October 25, 1973.

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Done at Malaga-Torremolinos October 25, 1973.

Signed by Canada October 25, 1973.

Interim Agreement on Conservation of Polar Bears.

Done at Oslo November 15, 1973.

Signed by Canada November 15, 1973.

Protocol relating to Milk fat (Butter oil).

Done at Geneva April 2, 1973.

In force May 14, 1973.

Canadian adherence indicated by signature December 7, 1973.



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Journal of the Department of External Affairs



External Affairs
Canada

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Oil, politics and the Middle East

Impact of the Arab-Israeli conflict

Allende and the Mythmakers

of a Canadian diplomat abroad

of the Law of the Sea Conference



International Perspectives

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Probing the Arab motivations behind use of the 'oil weapon'

George Lenczowski

The month of October 1973 constitutes a watershed in the epic of oil, an international commodity vying with gold for primacy in world economics and politics. It was during that month that, largely under the aegis of Saudi Arabia, the Arab producing states decided collectively to use the "oil weapon" in their struggle to achieve certain goals in their foreign policy. Production of oil was to be reduced 10 per cent from the September levels, with a commitment to further monthly cuts. Some consumer states designated as friendly were to be exempt from the decreases; others, notably the United States and the Netherlands, described as unfriendly, were to be denied Arab oil altogether, through a complete embargo on direct and indirect deliveries to both the American territory and the U.S. armed forces abroad.

The same month, the Middle East producing states raised the price of exported crude by 70 per cent, a move that was followed by a decision taken on Christmas Day in Tehran to double the posted prices, with a resulting increase of the so-called "take" for the producers to \$7 per barrel. If the mid-year level of Middle East and North African production were to be maintained — a production exceeding 25 million barrels daily — the resulting revenue to the area would thus amount to \$62 billion a year, a staggering sum without precedent in the economic history of the region.

Partial and temporary boycotts and interruptions of oil exports from the Middle East had occurred in the past. So had price rises. This time, however, the situation was profoundly different; the Middle Eastern countries were in a "seller's market", with demand steadily rising and the alternate sources of supply clearly insufficient to meet the needs of the major industrial consumers as Western Europe and Japan. Moreover, the United States saw its position change from self-sufficiency to partial dependence on foreign oil. On a total consumption of

17 million b/d in 1973, the United States was obliged to import more than 6 million b/d, i.e. some 35 per cent of its needs. Half of this was obtained in the western hemisphere, but the other half — some 3 million b/d — came from the Arab Middle East, directly and indirectly.

It is this amount that constitutes today's "shortfall" in the United States, and it is this gap in imports that provides the central ingredient in the current energy crisis. While the ramifications of the deficit are actually and potentially far-reaching in the United States, the consequences of the Arab decisions in the countries wholly or overwhelmingly dependent on Middle East oil imports are far more drastic, both in the immediate sense and as a long-range proposition. They may range from partial paralysis of an advanced industrial country to a major reorientation of the country's foreign and military policy.

The seller's market does not reflect the classic economic situation of the demand

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exceeding the supply; it has a clearly political dimension in that certain countries possessing abundant reserves of oil and a great productive capacity may prefer, by rational and sovereign decision, not to make their oil available to consumers for reasons of rational and prudent management of their resources.

The October and December decisions of the Middle East producers further reflect their assumption of sovereign control over prices — that is, over the sector that was previously controlled either by the concessionaire companies or by bilateral agreements between the companies and the host governments.

Two basic processes

All these momentous decisions made in Riyadh, Kuwait and Tehran should be viewed against the background of two basic processes occurring in the Middle East — modernization and decolonization. It is the fate of oil to play a special and major role in both.

The role of oil in the modernization process may be summed up under three headings: it provides a financial basis for development; it serves as a major vehicle for scientific, engineering and organizational modernization; and it emerges as a commanding height of the national economy, which influences all other sectors. The oil industry in a less-developed country generates ancillary industries and services and stimulates “entrepreneurism”; it also creates a body of technocrats employed either directly by the industry or by the government. It influences labour legislation, housing patterns, educational facilities and, to some extent, curricula. In Saudi Arabia or in Iran — and these are not exceptional examples — the governmental oil apparatus has attracted high-quality talent that forms the *élite* of the new technocratic generation.

Although the modernization process involves highly political decisions as to paths and methods — particularly whether they should follow the socialist or non-socialist patterns —, it is the decolonization process that provides the most intensive political aspects of the oil problem. When one speaks of decolonization, one must go beyond a mere formal relinquishment of foreign politico-military control over a dependent country. It must be understood that, to the nationalists, this process appears as a comprehensive striving for emancipation from all kinds of dependence on a foreign power, whether political, economic or cultural.

In this process, oil again plays a key role. Because of its tremendous economic

and strategic importance, oil often provides a focus of the struggle for emancipation and a struggle for power. Nationalists tend to look upon the oil question as a testing-ground in their fight for assertion of national rights. In the early 1950s, it provided a rallying-point for a nationalist radical coalition in Iran and, 20 years later, in the 1970s, emerged again as a vehicle used to assert the leadership and authority of the Shah. Similar trends, though with variations dictated by local circumstances, are observable in the Arab countries.

Despite the highly-visible role of oil as a catalyst and focus of nationalist aspirations, the world enjoyed for some decades after the Mossadegh upheaval a period of relative tranquillity in the triangular relations among the host countries, the companies and the consumer states. This was perhaps owing to the broad overlapping of political conservatism — usually in the form of royal structures —, the corresponding pro-Western orientation and the possession of abundant oil reserves in the producer countries. There was the monarchy of Iran restored after the traumatic experience of the early 1950s and linked with the West by the bonds of military alliance in defiance of Soviet pressures. And there was the conservative camp in the Arab world, encompassing such oil-rich monarchies as Saudi Arabia, Iraq, Kuwait and Libya. The revolutionary and radical states were, by and large, the discontented have-nots. Either they coveted the riches of their monarchist neighbours or they pressed them to make political use of their wealth in times of international crisis. Occasionally a have-not country was able to influence the oil sector because of its position as a transit country in strategic control of the flow of oil. This was notably the case of Syria as a transit area for major pipeline systems, the Iraqi and Saudi, and of Egypt with its possession of a major waterway.

Within this divided system of conservative haves and revolutionary have-nots

Professor George Lenczowski of the University of California, Berkeley, was the keynote speaker at a conference in Toronto January 25 and 26 on “Oil and Politics in the Middle East”, sponsored jointly by the Middle East Studies Committee of the University of Toronto and the Canadian Institute of International Affairs. The accompanying article is an adaptation by Dr. Lenczowski of his address.

*Oil playing
a major role
in modernization,
decolonization*



AP Wirephoto — Canada Wide Service

Arab oil ministers gathered in Kuwait late December of last year for a session of the Organization of Arab Petroleum Exporting Countries (OAPEC). This was one of a series of meetings designed to review

the use of oil as an economic weapon against Israel and those states considered to be unfriendly to the Arab cause. Four categories of consumer nation were distinguished by OAPEC.

certain equilibrium existed, which permitted the oil industry to function without major interruptions and the needs of the producing and the consuming countries to be more or less evenly balanced.

The system underwent the first change with the revolution in Iraq in 1958. The new government displayed hostility to the oil companies, and its Law No. 80 of 1961 marked the first step on the road to nationalization, although the producing wells were not affected by it. By 1969, however, with the overthrow of the monarchy in Libya, the well-balanced world of haves and have-nots gave way to a more complex system, in which the oil-rich camp embraced both the monarchies and the radical states while have-not Egypt began encouraging foreign oil investments and expanded significantly the area of concessions.

A somewhat paradoxical situation developed; the radical regimes of Iraq and Libya, in their emphasis on the national goals of liberation, were inclined to give higher priority to politics than to economics, with attendant reduction of their revenues — particularly Iraq, which suffered severe penalties in the wake of its unilateral action of 1961. At the same time, socialist but pragmatic Egypt — a country with a “settled” revolution and mature leadership — chose the way of co-operation with foreign enterprise, convinced of the usefulness of this approach.

But, in the highly-interrelated Arab world of monarchies, tribal sheikhdoms and single-party military dictatorships, strict compartmentalization of attitudes and behaviour is no longer possible. A king or tribal ruler previously capable of living in a state of “splendid isolation” is no more immune to the winds of change and the pressures generated by his own young technocrats and his more radical neighbours. By the same token, a have-not government behaving with a minimum of rationality cannot ignore the benefits in the form of grants and loans that a conservative neighbouring state may extend to it.

Maximalists and moderates

The use of oil as a political weapon in the Arab-Israeli conflict must thus be placed both within the context of the general decolonization process and within the inner struggle for survival and ascendancy of various political orientations and leaderships in the Arab world. In this respect, observers may distinguish between the maximalist and the moderate approaches to the use of the oil weapon.

The maximalist school, which perhaps can trace its origins to the preachings of Abdullah Tariki, is currently represented by revolutionary Iraq. It doubts the usefulness of production cuts and embargoes and, instead, advocates nationalization of those foreign companies or their

Iraq represents maximalists, doubts use of embargoes, production cuts

holdings which are identified with the states regarded as hostile. Iraq's nationalization of the Iraq Petroleum Company, followed by the nationalization of the American holdings in the Basra Petroleum Company, has been indicative of this trend. Libya's behaviour since the revolution has tended to follow a somewhat similar, though not identical, path. British Petroleum's Libyan operations were nationalized as a reprisal for the alleged British connivance at Iran's seizure of the three disputed islands in the Strait of Hormuz. In 1973 there followed a nationalization of 51 per cent of the holdings of foreign companies in Libya. Thus, in the states often referred to as radical, the target is not only a foreign government but also, and perhaps primarily, a foreign company.

The moderates — with the tone set by Saudi Arabia — have long resisted placing oil within a political context and made a point of differentiating between the foreign companies as private organizations and foreign governments, absolving the former from the guilt of the latter. This basic difference is still observed by the moderates, but oil began to be used as a weapon on a massive scale last October. By applying the production cuts and the embargoes, the moderates are aiming clearly at the governments they regard as hostile or, more precisely, at the policies of support these governments adopt toward the Arabs' chief enemy in the Middle East.

Royalist regimes

The decision to use oil as a weapon gave distinct political benefits to the royalist regimes identified hitherto with political conservatism and pro-Western attitudes. Because of the use of the oil weapon, King Faisal, always respected in the Arab world, emerged in a position of leadership and enhanced moral authority.

Oil has also assumed a major role in regional politics and collective agreements. While, at Khartoum in 1967, the conservatives were sceptical and reluctant to apply the oil weapon for any longer duration, they were quite willing to co-operate with Egyptian President Anwar Sadat in 1973 in his quest for a common Arab front and a common strategy. As for the collective arrangements, the Organization of Petroleum Exporting Countries (OPEC) had, as a mixed Arab and non-Arab body, concentrated on economics. By contrast, the Organization of Arab Petroleum Exporting Countries (OAPEC), being limited in its membership to the Arab states, could and did combine economics with politics in 1973.

*Conservatives
shed reluctance,
set to co-operate
with Sadat
in his quest
for strategy
held in common*

In their current policy of cutbacks and embargoes, the Arab oil-producing countries face four areas that have obvious unequal capacity to react or respond to these policies. These are Western Europe, Japan, the Third World and the United States. Of these, Japan is the most vulnerable to boycott measures and the United States the least. The Arab policy has been to produce among the recipient countries an awareness of Arab objectives in the Middle East conflict and to induce them to modify their policies to conform to the Arab goals. The Saudi decree ordering selective measures, as well as the subsequent collective Arab decisions, did not lack sophistication.

By early 1974, four categories of consumer state were distinguished: (a) the most favoured nations, notably Britain, France and the Islamic and Black African states; (b) the friendly nations, namely Japan and Belgium; (c) other nations, which included most of West Europe; and (d) the United States, the Netherlands and South Africa. Although complete exemption was granted to the most favoured nations, thus permitting them to receive supplies on the September level production, a full embargo was applied to the fourth category, which included the United States. Basic guidance in formulating these policies came from Saudi Arabia, whose government declared that the boycott measures would be lifted only when all the Arab lands, including Jerusalem, seized by Israel in 1967 should be returned to the Arabs. In a subsequent statement, a modified stand was adopted: an embargo and cutbacks would come to an end as soon as the peace-negotiating parties in Geneva adopted a schedule for a phased Israeli evacuation that would be implemented by the beginning of active troop withdrawals.

From the broad perspective of the Arab struggle to achieve certain political goals, the boycott measures could probably be looked upon as a success, in the first, they demonstrated Arab ability to act in concert with each other and, secondly, they generated greater awareness of and, in some cases, positive response to, the Arab point of view in the Middle East conflict.

These broad findings, however, should be qualified with a number of reservations mostly concerning the dilemmas posed to the oil-producing states and the world at large. These dilemmas pertain not only to the actual use of oil as a weapon but to a broader question of how this vital resource is handled by the Middle East countries and what role it should

y in their national life and foreign
ations.

tional development syndrome

t us begin with some fundamental
blems. The first, perhaps, is that there
an ambivalent relation between na-
tionalism as a political framework and
velopment as a rational method of
io-economic modernization. Nationalist
orities or preferences — such as the
oval of a foreign team of experienced
nagers and experts — may actually de-
and complicate the progress of orderly
velopment. Moreover, if a sovereign
ion of a host country, interpreted as the
lation of contract by foreign companies
governments, produces counter-meas-
s of economic or political nature, the
mate result may prove harmful to the
velopment interests of the host country.
e repercussions of the Iranian oil crisis
the 1950s and the Iraqi confiscation
asure of 1961 illustrate this dilemma.

A related problem is that not every
asure or policy undertaken in the name
nationalism is a genuine article. Some-
es such decisions are the result of an
er power struggle, particularly in a
ime whose political basis is narrow and
ch has to compete with rival groups for
vival. In other cases, it may be the out-
pressures from a broader Arab com-
ity that are the important factor.

On three levels of collective action —
thin the framework of OPEC, within the
PEC, and within a broader Arab front
ymbolized by the Algiers conference in
ember — an impressive degree of soli-
ity was achieved. The question arises
ether the old Western slogan of “divide
d rule” has not been directed by the
iddle East at the industrial world, de-
dent as it is on oil for the functioning
its civilized life. For the West and Japan
oses the problem of the utility or non-
ity of collective action and, should
t take place, of its scope and nature.
h collective action may be restricted
he private level of the companies en-
ed in negotiations over prices and
ns of concessions. But it may also take
form of intergovernmental co-operation
thin the framework of the Organization
Economic Co-operation and Develop-
nt (OECD), or with some other point
eference. Co-operation among the con-
ning nations appears, in some eyes, as
attractive alternative to a scramble for
ce resources. On the other hand, ex-
sive government intervention may lead
a climate of collective confrontations,
ch, for psychological and economic
sons, should be avoided.

Similarly, in their policies of boycott,
the Arab countries will have to weigh the
pros and cons of their scheme of dividing
the consumer nations into the four cate-
gories previously mentioned and ranging
from the most favoured to unfriendly ones.
This matter has already received attention
in countries as different as Saudi Arabia
and Iraq, though with dissimilar attitudes
thus far. The issue is: if the Arabs are in
search of political support abroad, are not
their general production cutbacks aliena-
ting those whose friendship was supposed
to be gained or cultivated?

Linked with this question is that of
excessive dependence of some countries on
oil imports from the Middle East. How long
can one expect Japan to accept without
protest its vulnerability in this respect?
The recently-reported agreement between
Iraq and Japan, guaranteeing the latter
substantial amounts of crude over a period
in return for major Japanese investments
in Iraq’s development indicates, on the one
hand, a search by at least one Arab coun-
try for an alternative in its relations with
the outside industrial powers and, on the
other, Japan’s quest for a reciprocal ar-
rangement whereby it could count more
securely on steady supplies of crude. Ever
since the Second World War, Japan has
been conducting itself in an exemplary
fashion in a civilized community of nations,
while rejecting militarism. Can it perse-
vere in this attitude if its vital interests
are adversely affected by the vulnerability
of its industrial sector, or can we take
for granted that revisionist militaristic
thought is not going to re-emerge with in-
calculable consequences to the rest of the
world?

Arab motivations

The recent boycott and price-increase
measures revealed at least four separate
motivations — conservation concern for a
depletable resource, adjustment of influx
of funds to a limited absorptive capacity
of certain producing countries, maximiza-
tion of profits, and use of oil as a political
weapon. While Iran’s case was clearly
focusing on the profit sector, the Arab
case, owing to the mixture of motivations,
has been more complex.

In order to appear convincing to the
outside world and gain the corresponding
political advantages, the Arab states must
distinguish which of their actions are
strictly politically motivated. This is so
because they face in the West not only
possible confusion but also wilful misrepre-
sentation of issues. Western reactions to
the Arab measures — particularly those in
the United States — could be classified in

*How long can
Japan be expected
to accept
vulnerability
without protest?*

Remedies range from fulfilment of Arab aims to protests of 'blackmail'

the following way: first, an acknowledgment that the Arab boycott is a reality that is based on political motivations and that is hurting; the remedy advocated ranges from fulfilment of Arab political expectations to protests against "blackmail" — a favourite phrase with some writers — and advice to tighten the belt but made no concessions or political adjustments; secondly, a claim that substitutes can and should be found promptly for the missing oil; and thirdly, an assertion that the energy crisis is imaginary and has no basis in fact.

Those who accept the reality of the Arab boycott are, however, divided. There is a school claiming that the Arab use of oil as a political weapon is a mere disguise for their fundamental policy of restricting their production in accordance with prudent management of their resources and their incoming funds. Followers of this school can point to some utterances of highly-placed Arab officials and leaders who had already, before October, warned the world that their own conservation and financial policies might dictate cutbacks in production. While this is true, it is also important to remember that those very leaders, while acknowledging these prudent conservation policies, were at the same time stating their willingness to accommodate the West by keeping production at a higher level than necessary provided there was a political incentive.

Friend and foe hurt

On the other hand, the abrupt raising of prices by the Tehran decisions on Christmas Day further accentuated the possibility of confusion among the consumer nations as to the primary Arab objectives. If the selective cutbacks and embargoes conceived as a political strategy were aiming at penalizing enemies and rewarding friends, then the doubling of the posted prices in Tehran was likely to hurt friend and foe indiscriminately, the actual or potential friends being hurt more than the United States, a country listed as unfriendly, which depends only partly on foreign imports. All this seems to point to the virtue of clarity of thought and consistency; if the political considerations are declared by the Arab states to be the prime motive, there is little to be gained by obscuring it with the purely economic profit motive and thus strengthening the argument of those who have insisted from the outset on the insincerity of the Arab political motivation.

While any disruption of supplies to the advanced industrial countries may wreak havoc on their way of life, the effects of

both the shortages and the high prices upon the less-developed countries of the Third World may be calamitous, not much for the current standard of living, which oil consumption is limited, but in terms of prospects for their development. While the industrial nations will suffer varying degrees of adversity pending their search for alternate sources of energy, the Third World may find the price rise simply prohibitive in their effects on hoped-for material progress. It is in this sector that the juxtaposition of Arab boycott and pricing policies may hurt most and contradict the basic policy of gaining friends in such most-favoured areas as Islamic and African states.

So far as the American national interest is involved, it may be wise and prudent to conceive of this interest not in parochial terms of purely U.S. needs but rather in broader terms of the free world, the security and wellbeing of which are closely interwoven with those of the United States.

In the confusion of many floating theories as to the reality or origins of the energy crisis, the statistical facts speak for themselves. The interruption of Arab oil exports to the United States has produced nearly 3 million b/d deficit in supply, while the general Arab oil cutback, which at one time reached 25 per cent of production but recently has been reduced to 10 per cent, has unevenly affected the rest of the world.

In the United States and the western hemisphere there are abundant oil sources of energy — coal, shale, Alaskan oil, Venezuelan heavy oils, Alberta's Athabasca tar sands, the still-unexplored shore oil areas, as well as nuclear energy and the less tangible geothermal and solar energy and other sources not yet developed. While coal and nuclear energy are the most readily available, they pose major environmental problems still to be solved. As for the other sources, both the time-lag needed for their development and the high cost involved make them eligible as a practical alternative only in the future. During the next seven to ten years there is no readily available substitute for oil. With the rising consumption trends in both the United States and the rest of the world, the Middle East is bound to be the primary source of supplies unless drastic restrictive measures in the consumer nations are adopted.

Problem for U.S.

In the long run, even these oil resources will be exhausted. It does, therefore, make sense to engage in research and develop-

nt to produce substitutes that would
mit human civilization to continue
hout collapsing. However, in the imme-
te sense, the world, including first and
remost the United States, faces a politi-
problem of response to the Arab boy-
t measures.

There are in human affairs situations
which principle and interest conflict.
Unfortunately, I believe, in this case they
not. The interest is clear: to remove the
Arab oil boycott and thus to restore the
normal supplies of energy to the world.
The principle is also above reproach:
respect for the territorial integrity and
political independence of all nations in the
Middle East, abolition of the state of
belligerency, no territorial aggrandizement
by the weight of conquest, justice for the

dispossessed Palestinians — all in con-
formance with United Nations resolutions.

Moreover, there is perhaps a historical
opportunity in that three Arab states
whose role and involvement in the crisis
are most prominent — Egypt, Jordan, and
Saudi Arabia — are willing to contemplate
peace and limit their demands to the im-
plementation of the UN decisions. This
convergence of interest and principle has
perhaps been lost sight of during the past
few years, which were characterized by a
policy bordering on benign neglect. It
gives one cause for cautious optimism that,
since October, new initiatives have been
undertaken to resolve the conflict and that
the overlapping of interest and principle
may lead to a moral and peaceful solution.

Middle East politics and the energy crisis: No. 2

Checking on the consequences of oil squeeze by Arab states

Charles Issawi

The idea of using oil as a weapon in the
Arab-Israeli conflict is not a new one. Al-
ready in 1947, some Arab spokesmen had
warned that United States support of the
creation of the state of Israel might
jeopardize burgeoning American oil in-
terests in the Middle East. And some
American statesmen, among them James
C. Doolittle, expressed similar fears.

For a long time the main danger lay
not in the area of production, which was
under direct British control or under
governments friendly to the West, but in
the area of transport. Middle East oil flowed
to Europe through three exiguous chan-
nels: the Suez Canal and the Iraqi and
Saudi pipelines. The Arab-Israeli war of
1948 led to the shutting-down of the
Iraqi pipeline terminating at Haifa, but this was more than offset by
the construction of the 1956 war resulted
in the blocking of the canal and the dis-
ruption of the pipelines through Syria.
This caused a fuel shortage in Europe in
the winter of 1957, but additional supplies
from the Western hemisphere tided the

Europeans through until the reopening of
the canal a few months later.

The next crisis arose with the Arab-
Israeli war of 1967. Here again, the Suez
Canal and the pipelines were blocked and
a temporary boycott was imposed by some
of the producers. However, the building of
supertankers that had been stimulated by
the canal blockage of 1956 meant that a
large amount of additional shipping was
now available to carry Persian Gulf oil to
Europe and America round the Cape of
Good Hope. Moreover Libyan production

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(1963), Economic History of the Middle
East: 1800-1914 (1966), and Economic
History of Iran (1971). The views ex-
pressed in the article are those of Professor
Issawi.*



was greatly expanded. The 1967 war, therefore, had only minor immediate repercussions in the world petroleum market.

OPEC formed

So far, action had been taken almost solely by Egypt and Syria, the countries controlling the canal and pipelines. The Arab producers of the Persian Gulf had done nothing except impose a short and perfunctory boycott in 1967, and those of North Africa had done even less. As for the non-Arab oil-exporters (Iran, Venezuela, Nigeria and Indonesia), although they had joined with the Arab producers in 1960 or subsequently to form OPEC (Organization of Petroleum Exporting Countries), they did not feel bound to take any concurrent action and, indeed, raised their own output very considerably to extend their markets.

But in 1970 the new revolutionary government of Libya took advantage of Europe's greatly-increased dependence on Libyan oil, and of other favourable factors such as the strain on tankers, the blocking of a pipeline in Syria and the curtailment of Nigerian output by the civil war, to impose higher prices on the companies. At that point, the other members of OPEC joined forces and, at their meeting in Tehran in January 1971, secured both higher prices and a larger share of profits. This success clearly demonstrated the cohesion and power of OPEC, and it became evident to some observers, including the present writer, that henceforth oil prices would rise appreciably. Other analysts, however (e.g. M. I. Adelman, *The World Petroleum Market*, Baltimore, 1972), insisted that the conflicting interests of the producers would both doom to failure any attempt at a boycott and force them to compete, thus bringing down the price of oil, and some policymakers seem to have acted in this belief.

Rising oil prices are not incompatible with growing production, in view of the expansion of demand. But already, in the last two or three years, some of the leading exporters — Libya, Venezuela and Kuwait — had deliberately stabilized or even cut down their production. Their object was mainly financial: their huge reserves were more than adequate to meet their needs; the rapid depreciation of money had decreased the attractiveness of holding foreign-exchange reserves, and it was judged — almost certainly rightly — that the rise in the price of oil over the next few decades would exceed any reasonable rate used to discount future earnings compared to present ones. To this was added the argument that, given the low price

elasticity of demand for oil and its high income elasticity, larger sums could be secured by reducing production.

This argument was, however, rejected by the two biggest producers, Iran and Saudi Arabia, as well as by some smaller ones such as Abu Dhabi and Oman, partly because of their huge petroleum reserves and partly because of broader political considerations. By the beginning of 1971 it had become evident that Saudi Arabia held the key to the petroleum market, alone had both the reserves and the willingness to expand output sufficiently to meet world needs, although the role of Iran was also very important. Saudi Arabia's greatly enhanced oil power was accompanied by a rise in its influence in Arab councils and its readiness to play its oil card. Until Gamal Abdel Nasser's death in 1970, King Faisal had hesitated to use his oil and financial power to back a policy that would rebound mainly to the advantage of a man he feared and distrusted. But relations with President Anwar Sadat have been much easier, and it may be added that the Israeli victory in 1967 must have aroused in him both anger and anxiety. Hence his repeated warnings in the last year that, if necessary, he would use oil as a means of pressure on the United States and its allies to induce them to change their pro-Israeli policies.

Price increases

Since the outbreak of the fourth Arab-Israeli war last October, the oil-producers have taken two measures, which should be clearly distinguished. On the one hand, the price of oil has been sharply increased; from \$2.59 a barrel at the beginning of 1973, the posted price was raised to \$5.11 in October and, at the end of December, it was more than doubled to \$11.65, with hints of more to come. The motive here seems to be purely financial: to take advantage of a favourable situation and drive a good bargain. In this the Arabs — Iran, Venezuela, Nigeria, Indonesia and the smaller Latin American producers — are at one with the Arabs. The only question at issue is how much further can the price be raised. In view of the large gap between the price of crude oil in the Gulf and that of the products sold to the consumer, a difference accounted for by transport, refining and distribution costs but even more by the high taxes levied by the governments in the consuming countries, and given the impossibility of replacing oil in certain uses, such as transport, and the costliness or shortage of other fuels, it would seem that there is a substantial scope for increase.

*Libya, Kuwait,
Venezuela
had stabilized
or even cut
their production*

But it is by no means sure that the producers will want to drive the hard bargain they can and take full advantage of the seller's market prevailing. First, every rise in oil prices not only reduces consumption but reinforces the search for substitutes — both the older ones such as coal and coal gasification and the newer ones such as shale, tar sands, nuclear power and solar energy. Secondly, even with present prices the oil producers will accumulate enormous foreign-exchange reserves — running into several tens of billions of dollars — that, in most countries, will exceed their absorptive capacity; the emergence of such huge liquid reserves is causing grave anxiety in financial circles, not least among the authorities in the oil countries themselves. Finally, as pointed out recently by the Shah of Iran, the last thing the producers want is to wreck the Western economy, a process that would pull their own down to destruction — a sentiment with which at least the rulers of Saudi Arabia, Kuwait and the other Arabian peninsula countries would fully concur.

Political aim

The other measure, a purely Arab one, has a political aim. Six years of intensive negotiations following the 1967 war had left the Arab states with two convictions. First, that the Israelis were not going willingly to give up their conquests in that region since their new frontiers were much more defensible than the old. Secondly, that the United States was either unwilling or unable to put enough pressure on Israel to withdraw. Blandishments to the United States, such as the ejection of the Soviet "advisers" from Egypt in 1972 — apparently at King Faisal's suggestion — had no effect; nor had the attempt to induce the United States' European allies to persuade it to change its policies. It would therefore seem that last summer the Arabs decided to make a two-pronged thrust. On the one hand, the military attack by Egypt and Syria would demonstrate that the Arabs were both willing to fight and capable of inflicting serious losses on Israel; this would restore fluidity to a situation that seemed frozen. Simultaneously, the oil weapon would be used: a boycott of shipments to the United States and the Netherlands, together with curtailment of deliveries to Western Europe and Japan, the whole operation being rendered more effective by a 10 percent cut in production.

In so doing, the Arabs seem to have had two objectives. First, to persuade the U.S. Government and — perhaps more

important — the American public that support of Israel was not costless; it was hoped that enough discomfort would be created to put pressure on Washington to play a more active role in negotiating a Middle Eastern peace, and more specifically to modify its pro-Israeli stance. Secondly, by bringing home to the Europeans and Japanese their very great dependence on Arab oil, to persuade them to dissociate themselves from U.S. Middle Eastern policy and to make them use their influence with the U.S. Government in a way favourable to Arab interests. It should be added that, as far as the United States was concerned, the timing of the oil shutdown was very well chosen in terms of the interests of the Arab states. For the last two years, the United States has been suffering from an oil shortage attributable to such diverse factors as the peaking of domestic production, the failure to build new refineries, increased consumption aggravated by stricter standards on emission of exhaust gases and other environmental measures, and sluggishness in exploring and developing alternative sources of energy.

At the moment of writing, just after the disengagement agreement between Egypt and Israel in late January, it is too early to judge how politically successful the Arab oil-squeeze has been. It is clear that the United States has been aroused by the danger of the situation to press much more actively for negotiations between Egypt (which continues to hold the key to a political settlement) and Israel. It would also seem that the United States has put more pressure on Israel than in the past, and that the Arab military effort has caused the Israelis to reappraise the situation and consider terms more acceptable to the Arabs. But the negotiations are, inevitably, very complex and slow, and no clear outcome is to be expected for some time. However, for the first time in many years it is no longer foolish to hope, if not for a definitive settlement, at least for something more durable than a ceasefire. And it seems doubtful whether anything less than the double shock of a war and an oil crisis would have sufficed to produce such a result.

As regards the Europeans and Japanese, the Arab oil weapon also seems to have had some success. The Europeans had already understood the extent of their dependence on Middle Eastern and North African oil during the 1956 crisis, but for the Japanese the realization apparently came as a great shock. Until 1973, Japan seems to have behaved as though politics did not exist, and to have

Embargo timing well chosen in terms of the interests of Arab states

For first time in many years no longer 'foolish to hope for something more durable than ceasefire'



AP Wirephoto — Canada Wide Ser

Arab oil ministers conferred again in Cairo in January of this year. Delegates pictured at a meeting of ministers of petroleum in Arab oil-exporting states at Cairo's Arab League headquarters include (from

left): Sheikh Abdel Aziz Khalifa Hamud of Qatar; Abdel Rahman Atieki of Kuwait; Ibrahim Mazhoudy of Algeria, and Ahmed Hilal of Egypt. Mr. Mazhoudy is Algeria's ambassador to Egypt.

believed that a flourishing business could be carried on while studiously avoiding political involvement, but recent events in the Middle East have cast doubt on the possibility of continuing such a non-policy. Hence, following the oil crisis, the Europeans — and even more the Japanese — have ostentatiously sought to dissociate themselves from the United States in the Arab-Israeli conflict. Various declarations have been made, designed to prove to the Arabs that the governments in question were not completely and unconditionally committed to the Israeli side. During the October war, American planes were denied overflight rights by most NATO members. No European governments came out with a public assurance that any oil shortage the Netherlands might incur because of the Arab boycott would be made up from their own resources. Vast amounts of financial and technological aid were offered by Japan to Egypt, Iran and other countries, and the French, British and other governments are negotiating deals with Saudi Arabia and some other oil-producing countries for the exchange of arms against oil.

All this is, of course, highly gratifying to the Arabs, and will ultimately have important diplomatic consequences. For the present, however, the Arabs realize that only the U.S. Government is in a position to pressure Israel into making the mini-

mum concessions they deem essential for concluding peace, and indeed it is the United States that has carried the burden of the recent Arab-Israeli negotiations.

There is one further, very large question-mark. At present the oil-producers — and in particular the Arabs — are in a position to exert great economic pressure, and their financial influence will vastly increase in the coming decade. But this enormous economic and financial power is in no way backed by political or military power. Such a combination of strength and weakness is fraught with danger. For centuries political thinkers have pointed out that, although gold can buy swords, swords can also seize gold. Should the oil-producers — and in particular the Arabs — overplay either their economic or their political cards, they may incur sharp and costly retaliation. It is clear that the Shah of Iran is aware of the danger and is determined not to expose himself unnecessarily. So is King Faisal. But the latter is under heavy pressure from Arab radicals and also from the Palestinians, who have their own particular aims. One can be certain that some groups will attempt to force King Faisal's hand, although he will surely do his best to resist them, no one can confidently predict the outcome of the numerous, tangled and powerful forces at work.

Arabs realize only U.S. in a position to pressure Israelis on concessions

Assessing the energy issues from a Canadian perspective

by Ronald S. Ritchie

For two decades the world has been speeding ever faster down a road which has no end. It has been escalating its demand for energy at a rapid pace, directing more and more of that demand to one energy source, oil, and recently, as a result, looking in almost every region to the huge Persian Gulf reserves as the principal source of energy needs for its future economic growth.

That this pattern must be drastically changed in the not-too-distant future was not news to many informed participants and observers in the industrialized world well before the dramatic world oil market events of 1973. But it has taken the price and supply action of OPEC members (Organization of Petroleum Exporting Countries) to bring the situation forcibly, often rudely, home to masses of citizens, and their governments, in both developed and developing countries around the world. In one sense, necessary long-run adjustments may have been expedited at the cost of short-run burdens, the extent of which is still somewhat unclear.

Viewed in a global perspective, the record of demand and supply of energy over the last three decades is an almost classic example of the impact of additive exponential growth patterns. There has so far in the world's history been a reasonably close correlation between economic expansion and energy consumption, between *per capita* use of energy in a society and its *per capita* production and, therefore, incomes. The relationship is easy to understand. Wherever man's output is limited to his own unaided efforts, that output and his income are small. Men have raised their production *per capita* and their incomes by combining more and more mechanical and other forms of energy with their own human efforts. Since the Second World War ended, this process has proceeded at an unprecedented pace and scale in the industrialized world and has begun in the developing economies.

North America, particularly the United States and Canada, has led in *per*

capita energy consumption, as in *per capita* income, and has continued to raise both. In the past two decades, though, Western Europe and Japan have gained rapidly in *per capita* terms and in absolute terms have multiplied their energy consumption. In addition, the developing economies, such as India, while their *per capita* demands are still small, have begun the same process. The achievement of many of their chief aspirations depends on its continuance. Thus, the world's demand for energy has been growing at annual rates which would double it every 12 to 15 years.

Pattern of supply

Sooner or later, this growth pattern alone would force some alteration in the patterns of energy supply or some constraints on demand. In actuality, however, the effects of rapid growth of energy demand have been accentuated by a concurrent shift in the pattern of supply. More and more of the total demand has been focused on oil, thus magnifying the demand growth for oil even more. Here, too, North America led the way two or more decades ago with the decreased use of coal in home

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heating and the switch from coal to diesel fuel on the railroads. Most recently, particularly in North America, coal has been pushed further aside in the thermal generation of power and in many industrial uses by pressures and regulations aimed at limiting sulphur emissions into the atmosphere. The switch from coal to petroleum in Western Europe and in Japan has lagged behind that in North America slightly, but has been of almost the same dramatic proportions. By 1970, petroleum (oil and natural gas) supplied about three-quarters of the total energy consumption of the United States, more than two-thirds of that in Western Europe and Japan, and three-fifths of the energy consumption of the world as a whole. The rush to oil was still continuing.

There have, of course, been good reasons of cost and convenience for the trend. At least until the last few months, petroleum has generally been a very cheap source of energy. All through the Fifties and Sixties, oil has been in plentiful supply, with the marginal source being the low-cost oil of the Persian Gulf area. Natural gas, where it has been available, has usually been kept low in price by regulation. Coal has grown dearer because of rising labour costs not fully offset by improved technology. Then again, oil has special convenience advantages, particularly in the field of transportation, with today's technologies.

With rapid growth in total energy requirements and a steadily-shrinking contribution from coal, it is readily understandable that eastern hemisphere demands on the Persian Gulf area have been escalating rapidly despite new supply sources in Africa and in the North Sea during the past dozen years. Growing North American demands have recently been added to these eastern hemisphere demands.

U.S. share

Despite the rapid growth of the rest of the industrialized world, the United States alone still accounts for nearly one-third of the world's consumption of oil. It moved past the point of self-sufficiency in the Fifties and currently must look beyond the western hemisphere to meet almost the whole growth in its demand. This means that the oil-fields of the eastern hemisphere, and particularly those of the Persian Gulf area, are now looked to in order to supply the whole absolute growth in North American demand each year on top of rapid Western European and Japanese requirements growth. By the logic of the process, forecasts were recently current

that Saudi Arabia, which as recently as 1970 was producing fewer than 4,000,000 barrels a day, would be required to produce close to 20,000,000 a day by the end of the decade if anticipated demands were to be met.

During the past few months, the members of OPEC have driven the lesson of this situation home in rough, dramatic and painful fashion. All through the Sixties they had sought by co-operative endeavour both to raise oil prices and to raise their shares of gross oil revenues. On the second count they had had some success, but relatively little on the first. Now, in a brief space of months, they have been able to multiply the prices of world oil and raise their own revenues from oil many times. In the process they have gained absolute control of prices and the own revenue-take, have assumed a large measure of control over operations and have freed themselves from any remaining contractual constraints.

In effect, the demand and supply position has rather suddenly reached the point which makes monopoly response both feasible and profitable. In the long term, the costs of alternate energy sources such as tar sands, shale oil, and coal gasification, will set upper limits to the international price for oil, but during the next few years it is difficult to see any constraints other than those resulting from consumer refusal to buy, producer perception of their own longer-run self-interest, or consumer-producer co-operative arrangements.

Like the price actions, the arbitrary supply and embargo restraints imposed by the Arab members of OPEC have equal given warning of the future situation. The Arab nations may not find it profitable to continue to use oil as a political weapon, but they are not likely to find it in their interests to expand production over the next few years to anything like the level which would match what have been expected to be the requirements. The untimely warning, then, is that the world as a whole must urgently seek and develop alternate sources of energy. These are likely to involve long "lead" times, especially where new technologies must be developed, and the new energy supplies will be more expensive than what we have been used to.

Painful readjustments

In the meantime, there are some painful readjustments to be faced and some difficult challenges for both domestic economies and international economic relations. Four questions of immediate concern are

*Until recently
petroleum was
a very cheap
energy source*

(1) To what extent will energy-supply shortages depress economic activity? (2) How serious will dramatic rises in energy costs be in a world already beset by inflation? (3) Can an international monetary system already in some disarray cope with the huge balance-of-payments shifts caused by multiplied oil prices? (4) Will the drastic rearrangement of incomes and capital accumulation impede the supplying of the large amounts of capital required to develop new sources of energy supply?

If the advanced economies cannot sustain, or the developing countries like India cannot afford, the energy supplies from oil upon which they had been counting, the result could be a recession, or worse, in the short term and a marked restriction in growth in the longer term. As has already been suggested, economic activity and levels of income have been tightly tied to energy consumption. Japan, Western Europe, and perhaps the United States all appear likely to be significantly affected in the next few months by supply limitations felt or threatened. Canada is likely to feel much in the way of direct effects but, with its major trade dependence on external customers, could feel significant indirect effects from any slowdown abroad.

Longer-term outlook

In the longer term, the advanced economies should be able to stand limitations on energy supply better than the developing countries. First of all, they can learn to make more effective use of the energy available. Then, their levels of income are already at heights which can be sustained with more comfortably, even though threats to future growth cannot be accepted with equanimity. The people of the developing countries, however, aspire to achieve something like the levels of income already gained by the advanced economies and if, these aspirations are not to be thwarted by energy supply limitations, their economic, cultural, and political prospects could be bleak indeed — an outcome of no small concern to those who live in the already industrialized world.

Inflation today is endemic and in many places virulent in most of the national economies of the industrialized world. From that standpoint, drastic and almost overnight increases in the price of the main source of energy for those economies would scarcely be more uncomfortable in the short timing.

It is possible, however, to overestimate these price effects. First of all, the price increases which we hear about are usually

in the well-head prices of crude oil or natural gas. There are many other costs incurred between the well and the point of final consumption and most of these costs are going up only at rates dictated by inflation. The end result in terms of consumer cost is, therefore, much less in percentage terms than the startling figures reported in the media.

To give one basis for perspective, by the end of January of this year the Persian Gulf OPEC countries had raised their own government "take" to something like \$7 a barrel. This is still less than the government take in Canada on a typical barrel of gasoline from provincial road taxes and federal sales tax, quite apart from corporate income taxes. Basic as it is to almost every form of economic activity and to consumer needs such as home heating and transportation, the total energy requirement of the Canadian economy before the recent cost increases accounted for only about 8½ per cent of gross national product, while direct fuel costs of the typical manufacturing operation were in the region of 4 per cent of value added or 2 per cent of the value of shipments. The industrialized economies should be able to adjust to the cost changes involved, but for the developing economies it may be a much more serious matter.

It is in the field of international monetary relations that some of the greatest uncertainties appear. In a direct sense, Canada need have little concern on the score of early balance-of-payments effects for itself because it is more than self-sufficient in net terms on oil supply and can improve its position on export account by at least as much as it loses on import account. Almost no other advanced economy in the free world is in that favourable position. As this is written the *yen* and the *franc* have already been devalued. The net additional-payments costs, even for countries such as Japan and West Germany, which have held huge monetary reserves, are so large that these reserves offer only very short-term protection. For many other economies, it is difficult to see what adjustments can be made quickly enough to make any significant contribution to financing the huge increased costs of imported energy. In India, it has been estimated that the costs of oil imports at previously planned levels will shortly exceed all foreseeable export earnings — a position which obviously will force drastic readjustments. On the other side of the fence, of course, the oil-producing countries will be amassing earnings in gold or foreign currencies in unprecedented amounts.

The whole mechanism of interna-

International monetary field seen as arena for 'some of the greatest uncertainties'

tional payments could thus be subjected to disturbances on a most unusual scale at a time when the International Monetary Fund's Group of Twenty have so far failed to devise mutually satisfactory arrangements to cope with more normal pressures. When the crunch comes, it is to be hoped that there is not a mass scramble to save each currency and each national economy at the expense of all the others. Given a reasonable attempt at co-operation, there is one important stabilizing force upon which to capitalize. It is as much in the interest of the oil-producing economies to protect the stability of international exchanges as it is in that of the rest of the world. Some of them have already suffered from earlier devaluation of the dollar and of sterling.

A fourth consequence of the huge and sudden change in crude-oil prices is the correspondingly huge and sudden change in the regional distribution of world income. As the Shah of Iran has pointed out, the rich countries of the world are suddenly going to be a good deal less rich. Equally, the poor countries of the world which are not oil producers are going to be, at least in the

short term, a good deal poorer. The beneficiaries of the shift will be the oil-producing countries, although it should be made clear that in most cases their resulting *per capita* income will leave them still well below the level of the richer countries. They will, however, be accumulating huge sums of capital. At the same time, over the next decade and beyond, most of the rest of the world must make huge capital and research and development expenditures for the creation of new and alternative sources of energy. They will be less able to generate the required funds because of the higher costs they must absorb for the current energy consumption. Part of the solution may lie in financing by the oil-producing countries, with benefit both to the capital-generation need and to the international payments balance.

Options for consuming countries

It is evident that important readjustments have to be made and that new challenges must be met. What are the options for the consuming countries? There are at least three deserving of some comment: (1) steps to achieve more efficient use of energy; (2) steps to develop alterna-

Ministers from the United States, Canada, Japan and Norway and from the nine member states of the European Economic Community met in Washington in February for a three-day examination of the international energy situation. The ministers agreed that solutions to the world's energy problems should be sought in consultation with producer countries and other consumer nations.

With France dissenting, they concurred in the need for a comprehensive "action program" to deal with all facets of the world energy situation by co-operative measures. Such an action program would include "the sharing of means and efforts while concerting national policies" in such areas as: conservation of energy and restraint of demand; a system of allocating oil supplies in times of emergency and severe shortages; acceleration of development of additional energy sources; and acceleration of energy research and development programs.

With respect to monetary and economic questions, the ministers at the Washington energy conference decided to intensify their co-operation and give impetus to the work being undertaken in the International Monetary Fund,

the World Bank and the Organization for Economic Co-operation and Development on the economic and monetary consequences of the energy situation — in particular, to deal with balance-of-payments problems.

They agreed to make strenuous efforts to "maintain and enlarge" the flow of development aid bilaterally and through multilateral institutions.

The ministers endorsed creation of a co-ordinating group to organize the development of the actions agreed on. Among other assignments, the co-ordinating group was given the job of directing preparations for a conference of consumer and producer countries to be held at the earliest possible opportunity. Such a conference would be preceded by a further meeting of the countries represented in Washington. France did not accept this procedure.

The ministers agreed — again with France dissenting — that preparations for such meetings should involve consultations with developing countries and other consumer and producer countries.

(Implications of the Washington energy conference and subsequent developments will be discussed in the May-June issue of International Perspectives.)

ergy sources; and (3) a *modus vivendi* with the oil-producing countries based on long-term mutual interest.

There is a great deal of talk these days of the need for conservation. Sometimes this is put forward as a means of reducing current supply stringencies — e.g., in the United States, sometimes as a sort of moral imperative for the longer-term future. Certainly, in an absolute sense, we have been prodigal users of energy and nowhere more so than in the United States and Canada.

There has been good reason for this. Energy has been cheap and economy in the use of something which is cheap is very different from economy in the use of something which is dear. In the longer run, there is no reason to expect energy to be in short supply, but it is likely to be considerably dearer relative to other commodities than we have been used to. For quite practical reasons this will encourage economies which have not hitherto been worth while. Even if we do not set our thermostats lower, we can insulate our homes and offices, especially in new construction, to achieve substantial savings. In North America, higher gasoline prices will further stimulate the switch to smaller automobiles, just as higher gasoline prices in Western Europe have dictated such a pattern from the beginning.

In the thermal generation of electricity, we will have strong incentives for research and development in technologies to improve the current unfavourable ratio of BTU (basic thermal unit) input to BTU output of useful energy, now much too close to three-to-one. In industry, substantial savings can be developed now that there is a cost incentive of significance. Eventually it is certain that, for the economy as a whole, we can in such ways achieve a higher unit output of energy consumption without discomfort or significant sacrifice. It has been estimated that in North America savings of this kind might amount to as much as 30 per cent of total energy consumption or, in other words, offset something like five to seven years of growth at recent rates.

The larger need, however, is to direct our efforts to developing major alternate sources of energy. This is not an unexpected need. Over the years substantial resources and research effort have been directed to the potential of fossil fuels other than conventional oil and gas as well as to more exotic energy sources likely to be important beyond the next two or three decades. There is now an urgent need for more. This is urgent because the common characteristic of most of the foreseeable alter-

nates is long "lead" times — whether for difficult and extensive exploration efforts to find and produce Arctic and offshore oil and gas, or for the mammoth construction required before there can be any significant impact from Alberta's tar sands, or for development and improvement of technologies for coal gasification and liquefaction, fusion power or solar power.

North America has a special place in the equation of alternate energy sources. Leaving aside nuclear power and more distant prospects such as solar energy, the United States has huge fossil-fuel possibilities in the shape of further conventional oil and gas obtainable by offshore search and from deeper horizons on land, as well as by tertiary recovery methods; oil shales, and close to one-half of the world's coal. Canada has offshore oil and gas possibilities, plus the Arctic potential for conventional petroleum. It also has the tar sands and Alberta heavy crude oil, plus significant coal possibilities. The new situation in world energy markets provides the economic incentive for efforts to develop all of these potential resources, thus giving North America the opportunity to become at least self-sufficient and to cease being a competitor for the energy resources of the eastern hemisphere. From Canada's point of view, it represents the opportunity to convert resources which were only theoretical hitherto into economic assets which can be developed and marketed to the advantage of Canada's national income future.

Bilateral agreements

Developing new energy resources on an adequate scale will take time. The reasonable expectation is that they will be phased in over several decades, with conventional petroleum being gradually phased out as supplies are depleted throughout the world. Both consumers and the producing countries will in the interval have important interests in the costs and availability of crude oil in international markets.

It is often assumed that the overlapping and conflicting interests involved can best be dealt with through group co-operation and negotiation between consumers and the producing countries. Judging by actions in 1973 and the very early weeks of 1974 and by the apparent attitudes of Japan and many of the countries of Western Europe, such a co-operative approach may be hard to achieve. One cannot be sure, however, that such an outcome will in the end be particularly disastrous. A variety of bilateral agreements with individual producing countries may in the end be as satisfactory a route to identify-

North America's special place 'in the equation of alternate energy sources'

Bilateral pacts may be route to identifying and meeting requirements of both sides

ing and meeting the needs of both sides.

Certainly, it is clear that the producing countries in most cases will be well-advised in their own interests to control the growth of their production and to prolong the life of their reserves. Certainly, those of them for whom oil and gas are a major but finite source of income must be concerned with how best to translate the proceeds from it into a solid economic base for continuing future incomes and

employment for their peoples. This cannot be accomplished as quickly as oil revenue will mount at today's prices even without substantial further increases in production. The interests of the consuming countries may also be served by such restraint on expansion of production. Certainly, it will ensure continued stimulus to the necessary development of alternate sources of long-run energy supply.

An energy crisis in reverse: Canada as net oil importer

By Donald M. Page

Dwindling reserves of non-renewable energy resources became a concern to Canadians and Americans for the first time in the winter of 1947-48. Oil was being consumed at an accelerated rate by the increasing number of new motor-vehicles, the replacement of steam by diesel-powered locomotives and the introduction of oil furnaces and space-heaters. Demand had quickly surpassed North America's capacity to bring into production its known deposits.

The Canadian shortage of fuel oil became acute with the removal of the wartime ban on new burner installations, which was itself stimulated by increased costs for coal as a result of the 1946 coal strike in the United States. The result was an inflated market price for oil products, which contributed to an already spiralling cost of living. By January 1948, the cost of fuel oil had risen by 60 per cent within a two-year period and an alarmed public was making its displeasure known.

The possible magnitude of the shortage was first perceived in the spring of 1947. At that time, the five major oil companies operating in Canada began to urge their customers, through circulars and advertisements, to reduce consumption by lowering temperatures, improving insulation and repairing inefficient burners. On May 9, 1947, C. D. Howe, then Canadian Minister of Reconstruction and Supply, warned Canadians against any further installation of oil-burners without assured contracts for the supply of oil throughout the winter ahead. Even though Canada's

per capita consumption of fuel oil was less than half that of the United States, as an importer of 89 per cent of its oil, 46 per cent of which came from the United States, Canada was bound to be affected by an estimated 15 percent shortfall in the need of the United States. Added to this expected deficiency in North America was the threat of Arab retaliation against oil customers who supported the United Nations decision on partition of Palestine.

To meet this increased demand for fuel oil, Canada had, in the first nine months of 1947, increased its imports from the United States by 400 per cent (according to United States calculations) 310 per cent (according to the Dominion Bureau of Statistics) over the same period of 1946.

Threat of Congressional anger

As winter approached, the demand by New England state governors and influential senators, whose constituents were most threatened by the shortage, for the conservation of all U.S. oil reserves was forcing officials in the Department of Commerce to take some action before Congressional anger descended upon them. Without any previous warning, the officials on December 11, 1947, informed J. R. Murray, the Second Secretary in the Canadian Embassy in Washington, that Canadian imports of oil from the United States would have either to be drastically reduced or embargoed. While the Hyde Park Declaration had only recently been extended at the request of the United

*Fuel oil cost
had soared
by 60 per cent
in two years*

tates to cover postwar economic cooperation, Mr. Murray was told that it was not intended to keep Canadians warmer than Americans.

Two days later, Mr. Murray was again summoned, this time to be confronted by nine officials from the U.S. Departments of State, Commerce and the Interior, who, armed with pages of statistics, accused Canada of using the Hyde Park Agreement as a means of circumventing the general export restrictions in order to rob Americans of their vital oil supplies. Denials and explanations had seemingly no impact on these determined officials. "The administration officials," Mr. Murray later informed Ottawa, "are, of course, inclined to expect us to snap to attention and take the necessary action whenever the shoe pinches down here". Canada could have the choice of imposing voluntary import quotas or experiencing export controls on up to 90 per cent of Canadian exports of oil from the United States before the end of the month. Although the President of the United States had already intervened to call for a Congressional investigation before restrictions of any kind were imposed, Mr. Murray was informed that Congressional remedies could probably be harsher than Commerce's ultimatum.

Congress needed little encouragement to take up the cudgels. The press had already established a picture of shivering Americans, and the Governor of Vermont was threatening to use the militia to halt all shipments going to Canada. The most important of the dozen committees dealing with various aspects of the shortage was the House Committee on Inter-State and Foreign Commerce. While its members could see that a ban on exports to Canada would do little to alleviate the crisis, some hoped that such a ban would divert attention from more controversial domestic measures for the conservation of supplies. Unless Canada acted quickly, Mr. Murray realized, it was about to lose all oil imports from the United States. A related attempt to persuade the State Department to dissuade Commerce officials from presenting their case for export controls to the House Committee on December 17 was unsuccessful. Time was decidedly not on Canada's side.

Ottawa surprised

In Ottawa, Mr. Murray's urgent appeals for an assessment of Canada's ability to withstand an embargo caught the Government by surprise. Canadian policy on oil exports was in the hands of the Department of Reconstruction and Supply, which

had hitherto taken a rather casual attitude toward the crisis. Mr. Howe believed that, if a month's grace were sought in which to work out a solution, the Congressional storm would dissipate or be diverted to other matters. Accordingly, the Canadian Ambassador was instructed to seek a delay because the Government was in principle opposed to the reimposition of wartime restrictions and, in any case, thought that it would be better to brand the United States as the villain responsible for controls. On December 19, Hume Wrong, the Canadian Ambassador in Washington, pleaded with the Assistant Secretary of State for Economic Affairs for more time, but all State could promise was that it would prevent the Inter-Departmental Review Committee from reaching a unanimous solution on an embargo, thereby assuring a delay while the matter was discussed by higher authorities.

The opinion of the State Department was that Congressional pressure could not be resisted beyond January 1 and that appeals to the Hyde Park Declaration were of no value because it was merely a declaration of intent without any legal sanction. Later that day, the State Department did persuade the Review Committee, and in particular officials in Commerce, that, because of the terms contained in the recent exchange of notes for the renewal of the Declaration, Canada must be given an opportunity to present its case before the United States took unilateral action. The timing of this decision was crucial, for the House Committee had just come out in favour of an immediate ban on the export of oil until the current shortage was alleviated.

In opposition to Mr. Howe, the Economic Division of the Department of External Affairs and its Under-Secretary were arguing that Canada would soon lose its right to manoeuvre and bargain unless Ottawa offered to impose its own controls. The feasibility of Canadian controls in-

Canada sought to delay U.S. export ban in the hope that 'storm' would vanish

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creased when Mr. Howe learned from the oil companies on December 22 that, as a result of the freeze on burner-installation and increased imports, Canada had almost doubled its inventories of the previous winter. It was obvious that, with minor adjustments in allocation, Canada could afford during January 1947 to cut voluntarily imports from the United States of kerosene, stove oil, furnace oil and diesel oil by 50 per cent or less of the monthly average of imports of the first quarter of 1947.

A Canadian offer based on Mr. Howe's assessment of the situation was informally made to the Under-Secretary of Commerce, William Foster, who responded much more favourably than his subordinates, who had led the opposition against Canada's special status under the Hyde Park Declaration. Mr. Foster wanted no unilateral action that would hurt the Canadian economy, and promised to do his part in preventing Congress from including Canada in any general export controls as long as the Canadian proposals were working satisfactorily. His aides, Francis McIntyre and Thomas Blaisdell, doubted that Canada would make good its promises, but reluctantly agreed to the establishment of some joint machinery for monitoring the flow of oil into Canada.

Divergence in U.S.

The Canadian offer came into effect on December 31, but not before State and Commerce officials had another quarrel over the retention and meaning of the Hyde Park Declaration. In the end, both departments agreed that joint commodity committees could best work out agreements based on wartime experience when neither department felt so harrassed by Congress. The divergence between State and Commerce was very evident in their presentations on the Canadian proposal before a Senate committee at the beginning of January. The Assistant Secretary of Commerce announced that Canada's voluntary restraints were acceptable because oil companies with larger markets in the United States would naturally want to keep smaller Canadian operations in line and his department had already established its own monitoring services on the border. In the future, Canada would no longer be considered as a "49th State" for economic and export control purposes.

In contrast to this self-interested tough line was the presentation made by Canada's good friend, Tyler Wood, a senior official in the State Department. Mr. Wood repeatedly emphasized the harmonious and unique relations that had

existed for so long between the two countries. Moreover, Canada's contribution to European recovery made it "a very strong ally", which, he argued, the United States in its own interest could not afford to lose through any unilateral action over oil shortages. However, attempts to reassure Congressmen that Canada's lower *per capita* consumption of oil and more extensive control over new burner installation also entitled Ottawa to an exemption from export controls had little impact when mid-January temperatures dropped well below the average. When the Department of the Interior began to publicize more stringent guidelines for the conservation of supplies, the American press rightly questioned how much Canadians were suffering in comparison with their neighbours who had benevolently sold them so much of their supplies in the first place. For a while the continuation of even Canada's reduced imports rested precariously on State's ability to head off a possible Commerce capitulation to Congressional demands for a ban on all exports.

Turning-point

The decisive turning-point within Commerce occurred when Howard Sykes, special consultant on oil to the Secretary of Commerce, visited two Canadian cabinet ministers and four deputy ministers from January 19 to 21. Mr. Sykes returned to Washington convinced that Canada should remain exempt from export controls as long as it continued its voluntary cutback on imports. He was confident that the United States Administration could control Congress if it spoke with one voice.

After Mr. Sykes' visit, a change of attitude was manifest in the Commerce Department. Nothing more was heard of a Commerce Department proposal for the extension of Canadian quotas to heating and residual oil.

Mr. Sykes' visit also enabled Canada to live with the Congressional threat which the press so avidly reported. When the Senate Committee considered the Bridges Bill for a ban on all exports, it was Commerce rather than State that defended the continuation of Canadian exemption. This was no easy task when Congressmen, under substantial domestic pressure, were vying with each other in introducing embargo bills.

But Administration pressure, combined with a certain antipathy of some Congressmen to any form of control, eventually led the House Committee to consider an embargo bill that explicitly excluded Canada because of its good neighbourliness in applying voluntary

*Foster wanted
no action taken
that would hurt
Canada's economy*

port controls. Support for this exemption increased after Mr. Wood explained to the committee Canada's position and Mr. Howe, at Mr. Wood's request, gave a press conference on Canadian efforts to conserve supplies. State's support of Canada was unstinting and even went so far as to defend British Columbia's right to continue its export quotas on logs shipped to the United States against important supporters of the Administration who thought that the United States at least deserved a trade-off between export restrictions on oil and logs.

Under these circumstances, Canada had little choice but to extend its voluntary agreement for January to the end of April, but not before Ottawa attached the rider "conditional upon the receipt by all Canadian refineries of their programmed and expected supplies of imported crude oil from all sources". This far-reaching rider was inserted as a lever in an attempt to get the United States Maritime Commission to revert to its wartime policy of allowing foreign tankers to discharge U.S. oil at Portland, Maine, for the pipeline to Montreal and the chartering of tankers for Canada on the same basis as those for domestic U.S. needs. Canadian oil companies had, on the basis of limited data, convinced Mr. Howe that Canadian refineries could not continue to operate at their present levels without these concessions. Accordingly, Mr. Wrong presented the need to both the State and Commerce Departments with the request that they use their influence to persuade the Maritime Commission to grant Canada an exemption from its restrictions. After making this case as strongly as he could, Ambassador Wrong was informed by Ottawa that Canada did, in fact, have adequate supplies and the request for tankers was superfluous. Mr. Wrong was rightly upset at Ottawa's bungling in presenting the appeal as an urgent one without having investigated it beforehand. In addition to the possibility of State and Commerce discovering the truth on the tanker issue, Mr. Wrong was worried about the fruitless use of his influence when it was urgently needed elsewhere to obtain U.S. supplies of natural gas for industries in southwestern Ontario.

Adding to Mr. Wrong's discomfiture was the appearance of F. J. Cottle, supply manager for Imperial Oil Ltd. Mr. Howe had decided to take the responsibility for settling energy matters out of the hands of the Embassy and had appointed Mr. Cottle as his personal adviser and negotiator in such matters. This "industrial-diplomatic trouble-shooter", as the press

called him, arrived in Washington unannounced. Mr. Cottle, who had no patience with the old diplomatic channels and the totality of the relationship involved, insisted on working through his network of old friends in Washington to clear up the small remaining details of the various energy problems. Although he achieved satisfactory results, it is doubtful if his efforts would have been successful without the groundwork laid by the Canadian Embassy.

Brighter outlook

By the spring of 1948, the crisis was over and the outlook for the next winter was becoming much brighter. Discoveries of oil at Alberta's Leduc fields held out the prospect of Prairie self-sufficiency in oil. Ontario and Quebec were receiving more imports from Venezuela as more tankers became available for carrying oil to Canada. The introduction of fluid catalytic cracking and catalytic Polymerization units increased the capacity of Canadian refineries. By 1950 Alberta was preparing to market its surplus oil in the United States and it was the turn of the United States to consider import restrictions.

In the settlement of the embargo issue, the Canadian Government had relied heavily upon the State Department to interpret and defend Canadian interests in a Congress whose primary concern was naturally with the preservation of the American way of life. Volatile Canadian protests would have needlessly fanned the wrong flames in Congress when skilful management was called for. It was the State Department that perceived that the national interest of the United States had to be extended to include support of the preservation of the Canadian economy and a historic relationship, while the Department of Commerce saw only the domestic side of the crisis, which at first led it to reject State's guidance and State's role as a buffer between Canada and Congress. It was Commerce that the Canadian Embassy had to learn how to influence.

In the end, the spirit of Hyde Park triumphed because of the insistence of certain officials that mutual co-operation and compromise should prevail over unilateral action by the United States to protect a narrow view of its economic self-interest. This triumph is even more striking because it came at a time when Canada's needs made it the debtor in Canada-United States relations. Past roles in an energy crisis in reverse do not govern present action, but they do suggest a picture of a relationship worth considering.

*'In the end
the spirit
of Hyde Park
triumphed ...'*

Some measure of co-existence with Arab world, Israel's goal

By Harold M. Waller

It seems that the world cannot allow its attention to be deflected from the Middle East for very long. Once again that region has become the focal point of international conflict, reminding those with short memories of the fragile character of world peace. To many observers the nature of the situation has changed dramatically. In order to assess the significance of the Yom Kippur War, it is essential to review some of the background to the conflict. There is a disturbing tendency on the part of many detached observers to dismiss the past and try to analyze the problem as it exists today. Yet both sides in the Middle East do have views of history that affect their response to the terms for settlement today. These have to be taken into account in any attempt to achieve a realistic outcome. This article will deal mainly with Israeli perceptions of history and the present situation, as well as an assessment of the long-term prospects in the area. Predicting anything in the Middle East is risky, but some prediction is essential. Realistically, each side must predict the behaviour of the other in order to reach a peace settlement.

Nothing has been more distressing to Israel since its founding in 1948 than the unwillingness of its Arab neighbours to recognize the fact of its existence and to conduct their affairs accordingly. This is the root of the entire question. Issues about territories, boundaries, international waterways and refugees are all secondary. In the Israeli view, the attack by Egypt, Syria, Lebanon, Transjordan, Iraq and

Saudi Arabia on Independence Day in 1948 signalled an intention to destroy the nascent Jewish state. Most Israelis are convinced that the Arab states have never deviated since then from their intention of eliminating Israel. Innumerable statements to that effect and a provocative military and political stance by the Arabs only serve to reinforce the Israeli belief.

Some supporters of the Arab cause argue that Israel should never have been created and that attacks on its legitimacy and existence are therefore justified. Realistically, Israel does exist. Therefore this is an approach of dubious validity that only hardens Israeli resolve and makes the prospects for settlement difficult. Even today there are Arab leaders who preach the destruction of Israel. If they mean what they say, Israel is fully justified in its scepticism about the prospects for peace. On the other hand, if they are making such statements only for internal political reasons, they can hardly be considered as responsible statesmen. In any event, if the Israelis could be convinced by the Arab nations that the right to exist peacefully within secure and recognized boundaries with the usual rights of a peaceful nation was genuinely and sincerely accepted, a peace agreement could be achieved very quickly. The details would not be very difficult to work out. What troubles the Israelis is the sneaking suspicion that the present talk about limited Arab aspirations is only a device to return to the pre-1967 borders in order to facilitate the ultimate dismemberment of Israel.

As the Israelis see it, they have had to fight four wars since 1948 (or one continuous war with periods of truce). Each time the Arabs have attacked (1948 and 1973) or provoked an Israeli pre-emptive strike to forestall a grave threat (1956 and 1967). The dangers to Israel's very existence of absorbing a first strike within the 1949 armistice lines is obvious now after the attack and early advances on October 6, 1973. In each of these four wars

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viewed as defensive by the Israelis, the Arabs lost territory. Following each war they have tried to regain the lost territory by political means without recognizing Israel or coming to terms with it.

Instead of sitting down to negotiate a peace treaty, as nations usually do after war, the Arabs have preferred to live with the status quo until they could try again to achieve their goals by military means. The Khartoum declaration of 1967 is typical of this attitude: no recognition, no negotiation, no peace. Thus Israel's orders have never been agreed upon, the Arabs have refused to terminate the state of belligerency, preferring to keep open the military option for the time and place of their choosing. This forced the Israelis to rely on a pre-emptive strategy through 1967. The Arabs, using outside political pressures when their own military prowess failed, enjoyed the luxury of fighting wars of limited risk, without having to accept the consequences of their acts.

Basic issue

In 1974, when one of the two professed aims of the Arabs is a return to the June 1967 boundaries, one cannot blame the Israelis for asking why the Arabs were unwilling to accept those borders as permanent between 1949 and 1967. What was the Arab grievance against Israel for those 28 years? It was simply the fact of Israel's existence. That grievance has been obscured since 1967 by the issue of the occupied territories. But most Israelis believe that the original grievance remains.

During the 1967-73 period, the Israelis felt very confident about their military superiority and enjoyed the feeling of security provided by the occupied territories. Like other victorious nations in the past, they expected the vanquished to negotiate on their terms. This was not inconsistent with the intent of Security Council Resolution 242, which called for Israeli withdrawal, but explicitly avoided calling upon Israel for total withdrawal. Furthermore, withdrawal was intimately connected with a general agreement on security and territorial integrity, termination of states of belligerency, freedom of navigation in international waterways and solution of the refugee problem. In the context of such a package, which amounted to at least a form of peace, the risks of Israeli withdrawal would have been acceptable to the Israeli Government. But the Arabs chose to emphasize withdrawal, and total withdrawal at that, while ignoring the other parts of the package.

This state of affairs gave the Israelis a good excuse to resist pressures for a

settlement that did not meet their needs. With American arms and superior military strength, they felt that they could sit indefinitely. Even so, there was a lively debate within Israel over the advisability of retaining Arab territory.

1970 standstill ceasefire

In 1969 Egypt again resorted to a military option by instituting a war of attrition along the Suez, which was terminated by the August 1970 standstill ceasefire. The Russians and the Egyptians immediately moved missiles up to the Suez Canal, explicitly violating the terms of the agreement that had just been concluded. The United States and the rest of the international community did nothing in the face of such provocation, a stance that cost the Israelis heavily when Egypt attacked in 1973.

The attitude of the rest of the world in 1970 reinforced Israeli suspicion of international promises, undertakings and guarantees. In 1957, Israel was forced to withdraw from Sinai by rather blunt American pressure, coupled with assurances that the Egyptian army would not re-enter the Gaza Strip and that the Strait of Tiran would be kept open. Yet the Egyptians moved back into Gaza immediately and about ten years later closed the Strait. On neither occasion did the nations of the world enforce the agreements. Hence Israel could only conclude that international guarantees mean very little in the Middle East.

The belief was further reinforced by the generally permissive attitude toward airborne piracy and terrorism by various Palestinian guerrilla groups and their associates. The destruction of a Swiss airplane, the Lod massacre, the travesty of the Munich Olympics, the murders at Khartoum — all resulted in no punishment for the perpetrators of the crimes unless they were in Israeli hands. The ease with which the terrorists obtained the release of the Munich murderers was particularly distressing. In Israel, where memories of the Nazi holocaust are still vivid and personal, even for those who were fortunate enough not to have been involved directly, what appears to be a casual attitude toward international barbarism is regarded as an ill omen.

Attitude on 1967 lines

All of these factors contributed to a certain contentment with the 1967 lines. Furthermore, the Israelis, having fought what they felt was a defensive war for survival in 1967, saw their occupation of the various territories as legal under inter-

*Israel upset
by attitude
of other states
on terrorism,
aerial piracy*

national law. The only proper way to deal with the question was through direct negotiations between the parties, a procedure that the Arabs refused. Even after the 1973 war, the Egyptians made it clear that they did not intend to negotiate directly with the Israelis at the Geneva Conference. Interestingly, negotiations for the January agreement on disengagement at Suez were carried out through an intermediary, Dr. Henry Kissinger, and not directly.

The surprise Egyptian-Syrian attack last October succeeded in breaking the log-jam, at least for the moment. The combination of war plus the employment of the oil weapon by the Arab states shocked the nations of the world into pressing for negotiations, with many countries simply mouthing the Arab point of view on withdrawal. As in any negotiations, each side will probably come out with something, but not all of what it wants. The key question for Israel is whether the outcome of the Geneva talks will provide it with the security, recognition and acceptance that it has so long desired, or whether it will diminish its security and thus encourage the Arabs to proceed with their oft-proclaimed goal of liquidation. At the time of writing, the outcome is still unclear. In particular, two things remain to be ascertained: (1) whether the Arabs and Egypt, in particular, are now prepared to live in peace with Israel and are willing to forswear any attempt to destroy Israel; and (2) how far the United States will try to push Israel if real peace does not seem to be at hand.

Evaluation of changes

Any understanding of the present situation also requires knowledge of which aspects have changed and which have not. First of all, the changes:

1) The Arab military threat is more credible than ever before. Israel took heavier losses than at any time since the 1948 war for independence. Still, tactically Israel won the war and demonstrated that it can defeat the Arab armies, even on two fronts. Were it not for the combination of surprise and an imposed ceasefire, the Israeli victory would have been complete. The war proved that although the Israelis are not superhuman, they do possess a superior army, which dominates the situation on the ground. In reality, the Arab military accomplishment is only spectacular in comparison with their previous efforts. The added threat of offensive missiles increases the risk for the Israelis in any war, but certainly does not give reason to accede to

Arab demands.

2) Israel is almost totally isolated diplomatically. This development, even the actions of the African nations, does not convince Israelis that they are wrong. If anything, it reinforces basic suspicion that many Israelis have about the good will and integrity of the rest of the world and the determination to look after their own interests.

3) The use of the oil weapon has injected a new dimension. Israelis are amazed at the alacrity with which Europeans including some of the major countries echoed Arab positions on key issues. But the real question is the extent to which the United States can be pressured by the oil weapon. Undoubtedly the Israelis will strive mightily to separate their political situation from the economic situation with regard to oil.

4) The Arabs have found a unity that never existed before, embracing this time Saudi Arabia's King Faisal. In the past the Israelis could always count on dispute between Arabs to weaken the Arab effort against Israel and even now there is some discord in the Arab camp. This may well increase as negotiations proceed.

5) Israel and at least two Arab states are nominally negotiating in Geneva. This is a most significant step, but Israelis wonder whether the Arabs see the peace conference simply as a means of achieving Israeli withdrawal or whether they are prepared to take the steps necessary to establish the beginning of peace.

Despite all these differences, much has remained the same in the war's aftermath.

1) Israel still retains military superiority. The Arabs can certainly hurt Israel but even with massive Soviet supplies they cannot defeat Israel so long as the United States provides weapons and equipment. Still, this war with its terrible losses must have impressed on both sides the futility of military solutions.

2) The continuing double standard applied by the United Nations and most of its member nations (with the exception of Canada and a few others) was again evident. So long as the Syrians and Egyptians appeared to be succeeding, there was no significant move to halt the fighting. The United States was alone among the major powers to try to stop the fighting when it began. This was true despite the fact that Egypt and Syria had violated the ceasefire agreement and the UN Charter itself by their unprovoked attack. It was only after the tide had turned in favour of Israel that there was a clamour for ceasefire among the members of that body responsible for keeping the peace. Iron

Key question regarded as whether Geneva talks will provide Israel with acceptance and security



AP — Canada Wide photo

S. Secretary of State Henry Kissinger reports to newsmen in Jerusalem that he will present Israeli's troop withdrawal plan to Egyptian President Anwar Sadat. Israeli Foreign Minister Abba Eban (left) and U.S. Ambassador Kenneth Keating

(centre) were present for talks in mid-January — part of a series Dr. Kissinger held with Israeli and Egyptian leaders as a prelude to the disengagement agreement of January 18.

ally, Iraq, which did not agree to the ceasefire and never signed the armistice agreement of 1949, is now a member of the Security Council.

3) There continues to be ambiguity about the positions of both sides. The Israelis have argued for several years that they want negotiations without preconditions, within the framework of Resolution 242. At the same time, it was quite evident that there were certain areas that simply could not be given up. Even now, the Israelis are uncertain as to where they stand on the territorial issue, with even the dominant political alignment badly split. Last December's election campaign did little to clarify this point. Hence the Israeli approach will probably be extremely careful and wary, with an unwillingness to commit the country to anything more than one step at a time.

The Arabs have proclaimed two goals for the resolution of the present conflict: regaining the territories lost in 1967 and the restoration of the legitimate rights of the Palestinian people. Each of these aims carries implications that give pause to Israelis and make them suspicious of the Arabs and the other countries that have endorsed those goals.

Before 1967, the Arabs were quite open about their aim of destroying Israel.

To the Israelis the events of May 1967 were the prelude to the attempt at "politicicide", and even genocide. Statements of the Arab leaders, especially Gamal Abdel Nasser, vividly underscored such a purpose. (On May 29, 1967, the Egyptian leader said: "The battle will be general and our basic aim the destruction of Israel.") After their defeat, the Arabs realized how counter-productive such intemperate language was. So they began a subtle campaign aimed at the West to show that all they wanted was the return of their land and the restoration of Palestinian rights. This propaganda campaign was most effective and allowed Western nations to support the Arab cause diplomatically without having to worry about having Jewish blood on their hands.

But for domestic consumption the line was quite different. Egyptian President Anwar Sadat and other leaders have made it abundantly clear that the recovery of the occupied territories is only the first step toward the eventual eradication of the Zionist state. President Sadat himself stated on June 2, 1971, that "the Zionist conquest to which we are being subjected will not be terminated by the return of the occupied territories". And Mohammed Heikal, then his confidant, had written in *Al-Ahram* three months before that the

'Before 1967 Arabs were quite open about aim of elimination of Israel...'

Arabs had only two goals: to erase the 1967 aggression and the 1948 aggression by "Israel's total and absolute annihilation". As for an expressed willingness to conclude a peace agreement, President Sadat has always used the Arabic term *salaam*, a formalistic arrangement or temporary truce, but never *sulh*, which means reconciliation and genuine peace that springs organically from the political situation as a manifestation of a just settlement.

'Ambiguous' goal

The other declared goal is the elusive and deliberately ambiguous "restoration of the legitimate rights of the Palestinian people". Given the unambiguous pronouncements of the terrorist and Arab government leaders, Israelis believe that the term is only a public relations code phrase for the elimination of Israel. Yasser Arafat's recent weak declaration to the contrary is viewed as *pro forma*, designed to placate Western public opinion. The rhetoric about a secular democratic state in Palestine as a replacement for Israel is only a polite formulation for annihilation.

In addition, historical experience would lead one to ask whether the proposed state would indeed be as described or would more likely follow the pattern of other Arab states, which are decidedly secular, hardly hospitable to other national groups and rarely democratic. The Palestine Liberation Organization talks about "the liberation of the whole of Palestine and the annihilation of the Zionist usurper state, politically, militarily, socially and spiritually". Obviously Israelis cannot view the Arab interpretation of Palestinian rights with equanimity, as they are not compatible with maintenance of Israeli national rights. However, this does not rule out a solution. All parties must recognize that there are two competing nationalisms in what once was mandated Palestine (which included what is now Jordan). There is plenty of room in the territory for both, provided that threats of annihilation are eschewed. Thus the Israelis and Jordan's King Hussein will have to soften their opposition to a Palestinian state in the West Bank area, provided that the Palestinians are willing to come to terms with Israel, and give up their claims to the rest of what was Palestine.

A further requirement for such a solution is the recognition that political upheavals do result in some displacement and exchange of populations. The Palestinian refugees can find a home in a Palestinian state, with a few choosing to live in

Israel, which has been prepared for several years to accept such a plan, including compensation for the displaced. But any settlement must also recognize that at least 700,000 Jews from Arab countries have had to be resettled in Israel. In the meantime, the concentrated and visible presence of the refugees serves well the cause of those who seek a justification for Israel's annihilation. Furthermore, the Israelis are justified in asking why Jordan and Egypt prevented the establishment of a Palestinian state on the West Bank and in the Gaza Strip between 1948 and 1967.

Given this background, are there prospects for some movement toward peace in the wake of the recent war? Having partially restored their self-image, the Arabs or at least the Egyptians, are taking the first steps toward mutual co-existence with Israel by negotiating and reaching some preliminary military agreements. This is an encouraging sign, although Israelis have mixed feelings about the Suez disengagement agreement. Bearing in mind that Israel had proposed a similar plan earlier, they welcome any step which appears to reduce the threat of a renewed war and which may pave the way toward the long-awaited negotiations on substantive issues. But they also remember 2 years of threats and attempts at annihilation. Thus the disengagement procedure is a test of Egyptian intentions. The Israelis realize that they are accepting certain risks, especially by giving up the offensive position west of Suez and by acknowledging Egyptian territorial gain in the 1973 war. On the other hand, they want to give the Egyptians a chance to prove that they are prepared at least to live in a state of peaceful co-existence with Israel, even if they do not desire closer and more normal ties. If Egyptian good faith can be demonstrated, then the Israelis can contemplate the next step toward a settlement. If not, then the Israelis have not conceded very much and can refuse to bargain further. Moreover, any Egyptian violation of the limitations of forces agreement on the east bank of the Canal would undoubtedly be regarded as a grave provocation by Israel.

Territory as incentive

Israel retains most of the territory gained since 1967 and can be expected to hold out the possible return of territory as an incentive for an acceptable political agreement. If the disengagement at Suez works, it will probably reduce the international pressure on Israel for immediate concessions and allow it to negotiate in a cooperative atmosphere for the rest of a package war

Rhetoric about 'secular democratic state in Palestine' seen as only formulation for politicide

Two competing nationalisms in what was mandated Palestine

gypt. This stage could take a very long time. Actually Egypt is "on the spot" at least as much as Israel because President Sadat may be tempted to contemplate a separate agreement with Israel. This would offer great advantages to Egypt and is possible, but would antagonize the other frontline Arab states. As for Jordan, its position is involved with the resolution of the Palestinian question.

U.S. Secretary of State Kissinger's tireless efforts have helped to convert a fluid situation into one that is directed, minimally, toward some form of co-existence, albeit hostile. But the Israelis do not minimize the risks of another war. Negotiating positions harden and the Arabs, aided by the Soviet Union, again see other possibilities for the achievement of their goals.

Over the long term, the situation is unclear. Much time is required to establish full peaceful relations between former

foes. But it has been done before. The crucial question is whether at least Syria, Egypt and Jordan, as well as the Palestinians, can accept the reality of Israel's existence and abandon continuous planning and preparing for its destruction. This necessitates a genuine change of attitude. If that occurs, Israel will feel more confident and secure about bargaining, contributing to an atmosphere that is conducive to a settlement of maximum justice and equity. On the other hand, without such a change in attitude, renewed war at some point seems certain, with obvious dangers. It is to be deplored that the increased likelihood of a settlement results from war and not simply from a decision by both sides to negotiate their differences. But that is the reality. The parties to the conflict must now make the most of the opportunity that has been presented to them.

The October war: an analysis by the voice of Cairo's *al-Ahram*

by Lorne M. Kenny

Since this article was prepared, Mohammed Heykal lost his position as editor-in-chief of *al-Ahram*, the influential Cairo newspaper that was founded in 1876. As a young man, Mr. Heykal's goal was to become editor of *al-Ahram* and he realized this ambition under the administration of his friend Gamal Abdel Nasser in 1957.

Mr. Heykal's ouster at the beginning of February was followed by word that he had been appointed press adviser to President Anwar Sadat. His successor as editor of *al-Ahram*, according to initial reports, is Ali Amin, generally considered to be pro-Western in his sympathies and a critic of Nasser-type socialism.

Mr. Heykal has had his policy differences with President Sadat, for ex-

ample, over unity with Libya and the continuation of the fighting in the October war, in which the *al-Ahram* editor seemed to support the Egyptian chief of staff, now dismissed. There is no doubt that the Egyptian President is counting heavily on a favourable outcome to the U.S.-supported peace negotiations with Israel; however, personal differences between the two men seem to have been of prime importance in the ouster of Mr. Heykal. His removal from the editor's post at *al-Ahram* marks the elimination of one of the last strong Nasser supporters to remain in a very influential position.

But the change in Mr. Heykal's position does not affect the validity or pertinence of this summation of his views. — L. M. K.

the view of Mohammed Hassanein Heykal, editor of *al-Ahram* until his recent ouster, and the Arabs generally, Israel is the creature of Zionism, an ideology born of European anti-Semitism, in which the Arabs were in no way involved. The creation of Israel in the Arab homeland of

Palestine is seen as the extension of Western imperialism, intended to guarantee Western political and economic domination of the area. The Arabs fear Israel as the agent of worldwide Zionism, committed to a policy of expropriation and expansion at the expense of the Arabs.

Al-Ahram's Centre of Political and Strategic Studies came to the conclusion in the spring of 1972 that the Russian-American *détente* had resulted in a "no-peace no-war" situation in the Middle East, a situation benefiting only Israel, the United States and possibly the U.S.S.R., but not the Arabs. The Arabs, therefore, had to initiate action to break the stalemate. Egypt's Anwar Sadat made the move, in mid-summer of that year, of expelling the thousands of Soviet advisers in his country, but this only led to a dead end because the United States and the West made no move to respond to this initiative.

Mohammed Heykal has always held that the Arab-Israeli dispute could never be settled without resort to arms; the Arabs, he reasoned, would never recover their rights while they remained weak. The Soviet Union apparently agreed in the late fall of 1972 to give Egypt and Syria more arms, though not everything they wanted, and their buildup for the October 1973 showdown began.

The *al-Ahram* editor also expressed the view, formerly advocated by Gamal Abdel Nasser, that "Arab oil" must be used as a weapon in the struggle. Mr. Heykal went so far as to state that, although the immediate confrontation might be along the Suez Canal, the more important strategic battle would centre on the "Arabian" Gulf (*al-Ahram*, May 5, 1973; all the quotations cited are taken from Mr. Heykal's weekly editorial page entitled "Bi-sarahah" ("Frankly Speaking")). In last fall's struggle, the oil weapon was employed to support Arab arms thrown into the fray on October 6, 1973.

Outbreak of hostilities

Although the Arab press at first accused Israel of starting the fighting, it was soon admitted that the two-front attack had resulted from a concerted decision taken by Egypt and Syria and had been carried out after careful preparation that caught

Israeli and American intelligence by surprise. Indeed, in Mr. Heykal's view, one of the most significant aspects of the war repeatedly emphasized, was that, for the first time in 25 years, the Arabs had wrested the initiative from Israeli hands, a fact of momentous significance for Israel's security (a theme to which further reference will be made later).

The *al-Ahram* editor put forward his case, derived from a variety of "trustworthy sources", that the Israeli high command had misjudged the situation, believing that President Sadat would not dare to attack that Israel's Bar Lev Line was well-nigh impregnable, that the Israeli Army could easily handle any force that might breakthrough and that the Arabs were too divided to co-ordinate their efforts ("Israel: What is Happening and What Did Happen", *al-Ahram*, December 7, 1973). Thus when Israeli intelligence ascertained the massing of troops on both the Egyptian and Syrian fronts four or five days before the war, there was no agreement on whether it presaged an offensive or was simply a sign of the deterioration of the situation on the Syrian front after the air battle over the Syrian port of Tartous on September 13 and/or merely a part of the Egyptian fall manoeuvres.

Then, according to Mr. Heykal, on the evening of October 5, new information was received by Israeli intelligence that the attack might come the next day. After urgent meetings, it was decided to get in touch with Washington and through the U.S. authorities with the Soviet Union, Egypt and Syria, to warn the Arab states against attacking. At the same time, a urgent study of the possibility of a preventive attack was undertaken, but it was decided that it was too late for anything but an air strike, which would entail too great a risk in the face of Egyptian and Syrian defensive missile systems. All that Israel could do was to order a complete and urgent mobilization. The initiative had passed into Arab hands.

The Israeli bridgehead

Mr. Heykal concentrated his editorial comments not on the actual course of the war but on the significance of its various aspects. He referred to the "blood and fire" the Egyptian forces faced in crossing the Suez Canal and the formidable nature of the fortifications on the other side, but only to illustrate the courage of the Egyptian soldier in conquering "the wall of fear", and his ingenuity and determination in storming the east bank of the canal. He also drew attention to the Arab use of portable anti-tank and anti-plane missiles



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and the unprecedentedly large tank battles, as having written a new chapter in the tactics of modern warfare.

One major development of the war to which the *al-Ahram* editor devoted an entire editorial (January 25, 1974) was the Israeli bridgehead across the Suez Canal. Intituled "The General and the Gazelle", this editorial appeared after disengagement of Egyptian and Israeli forces had been agreed upon, and the date undoubtedly indicates an attempt to play down the importance of the bridgehead after the fact. The "general" referred to is General Ariel Sharon, the great advocate of this diversionary tactic and leader of the operation. The question posed was whether it was a "great military feat, which changed the October war from an Israeli defeat into a victory, the fruit of which Israel was deprived of at the last moment", or whether it was "a dangerous gamble", which succeeded for the time, but which the Israeli high command then wanted "to liquidate honourably and quietly".

To support the latter thesis, Mr. Heykal cited the fact that Israel had always avoided any venture across the canal into heavily-populated Egyptian territory, even in 1967 when the way to Cairo lay open. General Sharon's name for the operation, "Gazelle", is said to have indicated its purpose — a swift, sharp, light strike. That the Israeli high command was doubtful about the proposal is well known, as is the fact that General Sharon was held back until October 15, when the flood of American supplies had reached full spate. It was asserted that the operation was successful only because of the confusion that reigned for the first few days, which is doubtless true, and that when the ceasefire came on October 22, General Sharon's forces were still in such an exposed position that he had to drive onward to surround Suez and take Adabiyah to the south.

The political and psychological advantages of the stranglehold on Suez and the Egyptian Third Army were no doubt the main ones. *Al-Ahram's* editor estimated that this extension of Israeli forces demanded the continued mobilization of 25 to 30 divisions on the southern front (as compared to from five to seven before the war) — seven in the bridgehead, five west of the canal guarding its approaches and ten facing the Egyptian Second and Third armies, in addition to strategic reserves. Along with the drain of such an extended mobilization on the Israeli economy, there was the danger that the bridgehead, now surrounded by Egyptian forces, might itself be cut off in any renewed fighting. For these and other reasons, the Israeli high

command rejected General Sharon's claim that the bridgehead was "a revolver pointed at the heart of Egypt . . . and a rope around the neck of the Third Army". This rejection has been declared to have been the main reason for General Sharon's decision to resign his commission to return to the political scene.

Psychological effects on the Arabs

In his first "Bi-sarahah" column after the outbreak of the October war, entitled "An Attempt at Conceptualizing the War" (October 12, 1973), Mr. Heykal concentrated first of all on the psychological significance of the important initial victories of the Arabs. These had demonstrated, he said, the ability of the Arabs — primarily of President Sadat — to come to a decision to break out of the "no-war no-peace" stalemate. They had conquered the "wall of fear" referred to previously and proved their courage and spirit of sacrifice in battle. They had also shown that they were the equal of Israeli soldiers as masters of modern technological warfare. Thus they had destroyed the myths of Arab indecision and their fear complex and that of their enemy's invincibility.

The Arab fighting man, according to *al-Ahram's* editor, represented the real miracle of the October war, the true hero and the secret of victory. He quoted an unnamed "world expert" as saying that this boded ill for Israel in any future clashes between the two sides (December 28, 1973). According to Mr. Heykal, President Richard Nixon told the foreign ministers of Saudi Arabia, Algeria, Kuwait and Morocco: "It was a war in which you fought with honour and in which you were able to transform the situation . . . Thus you come to face its resolution without the inferiority complexes which your impotence before Israel subsequent to the 1967 defeat produced."

This psychological transformation has affected the whole of Egyptian society and the Arab world generally.

The question of Israel's security

On October 19, 1973, Mr. Heykal devoted the whole of his weekly page to "The Theory of Israel Security: The Hot Question in the Struggle Now Going On". The goal of the fighting, he said, was not to recover a part or all of Sinai and Golan, or Jerusalem, Gaza and the West Bank, or the rights of the Palestinians, but to strike a blow at Israel's security.

Israel recognized its exposed position as an island with 3 million inhabitants in the midst of an Arab sea of 100 million and the potential unreliability of any and all

*Egyptians saw
fear complex
and myths
of indecision
destroyed*

*Heykal viewed
campaign goal
as striking blow
at security
of Israel*



AP Cablephoto — Canada Wide Service

Egypt's President Anwar Sadat (right) gestures during talk with U.S. Secretary of State Henry Kissinger on January 12 at the Egyptian leader's summer home in Aswan. Dr. Kissinger shuttled between

Egypt and Israel during the early part of January in talks which led to the disengagement accord between Israel and Egypt.

international guarantees. Israel had, therefore, sought to base its security upon an overwhelming military superiority, upon its ability to strike hard and fast, upon keeping the initiative at all times, upon its scientific and technological advantage in order to offset Arab superiority in numbers and, finally, upon the unwavering support of the United States. It has been Arab strategy to hit at all of these fundamental factors.

Mr. Heykal then asked a question which, of course, has been troubling Israel as well: "If the Arabs are able to liberate their territories occupied after June 5, 1967, by armed force, what is to prevent them in the next round from liberating Palestine itself by armed force?"

It was the estimation of the editor of *al-Ahram* at that time that the whole Israeli military establishment had been so shaken that many heads, including that of Israeli's Defence Minister Moshe Dayan, would roll in the subsequent political infighting in Israel; that the whole philosophy of Israel society would be so undetermined that the "hawks" would gain the upper hand (as it seemed possible they might); and that therefore Israel would soon attack again in an attempt to restore its security.

Mr. Heykal returned to this theme again and again and to his belief that Israel was a society based on force, which

held that a bullet was a more effective way to the heart of an Arab than mere word (December 7, 1973).

Future Arab strategy

Arab preparedness and power must embrace the political, economic and military fields, Mr. Heykal felt. He did not believe that the Arabs could rely on American guarantees to put pressure on Israel ("Discussion with Kissinger", November 16, 1973).

In intra-Arab relations, strength depends on unity, a unity which during the war was translated from a "distant possibility" into an "actuality" (December 28, 1973). The purpose of Arab summit talks was to concert Arab efforts. In answer to the question of why no summit talks were convened before October 6, Mr. Heykal cited the lack of confidence in the intentions of the Arab governments, the danger of a security leak and the need for action first to clear the air (November 9, 1973).

The Arabs have seen the effects of the oil weapon and must use their new economic power to the full. Israel had received as much aid from abroad yearly as Egypt has had from the Arabs over all the years since the 1967 war. The oil-rich state ought to guarantee Egypt as much aid dollar for dollar, as Israel receives from world-wide Zionism (October 12, 1973).

The *al-Ahram* editor claimed to have

Editor felt Israeli 'hawks' would gain upper hand

received additional evidence to confirm the reports of the London Institute for Strategic Studies and the Stockholm Armaments Institute that Israel already possessed the atomic bomb (though untested) or at least the capability of producing it ("The Bomb", November 23, 1973). Israel would use the bomb, he thought, only in a moment of madness or desperation, to commit suicide before expiring, or to blackmail the Arabs.

Since deterrence was the only effective strategy of the present age, Mr. Heykal argued the Arabs must acquire the atomic bomb or the potential to produce it. They had the economic and scientific resources to acquire them. This position was declared to be "a call for peace, not against peace, since peace has existed until now only under the shelter of power although we can dream of, and strive for, a day when peace will live under the protection of conscience".

The only alternative was to demand a "real inspection" of Israel's *Demon* reactor to ascertain that Israel did not have the bomb. "Otherwise," he urged, "let us put an umbrella over our heads to protect them."

Arab foreign policy

Although critical of the extent of Soviet aid to the Arab states in the past, Mr. Heykal did give the U.S.S.R. the credit for supplying the arms that were in Arab hands when Egypt and Syria attacked on October 6. To him it was clear that the Soviet Union was the only friend on which they could rely and that, therefore, the Arabs must rebuild the bridges between the two peoples (October 12, 1973). The

al-Ahram editor reiterated, time and again, that the policy of Henry Kissinger and the United States, whether during the war or through the peace negotiations, was aimed at excluding the U.S.S.R. from the area and maintaining Washington's own exclusive influence there.

Mr. Heykal was, however, ready to discuss the whole question at length with Dr. Kissinger and to hear his arguments for American concern as an "interested party" to bring the two sides together ("A Discussion with Kissinger", November 16, 1973). He cited the U.S. Secretary of State's statement that the Americans could never allow Russian arms to gain an important victory over their own, and Dr. Kissinger's assertion that "the Russians can give you arms, but the United States can give you a just settlement which would return your territories to you, especially since you have actually been able to change the situation in the Middle East".

In spite of reservations about what Dr. Kissinger and the United States were able or willing to do, Mr. Heykal concluded that Dr. Kissinger was seriously looking for a solution, that his Jewishness might be an advantage to him in this endeavour and that he might be able to shift American policy forward a little, subject always to internal pressures and the precarious international balance of power. Therefore, he wanted Henry Kissinger to succeed in his efforts to find a resolution to the Middle East conflict; however, he wanted that success to be determined, not in accordance with Dr. Kissinger's terms, but in line with those the Arabs themselves have laid down ("Kissinger . . . and the Meaning of Success", January 4, 1974).

In spite of reservations about position of Washington, Heykal saw Kissinger as looking for a solution

... The impact of the war on Egypt may be viewed in terms of two competing currents, moderate and militant, opposing different segments of the power *élite* and leading ambivalent inclinations in individual members of it One current tends to view the outcome of the war as placing Egypt in the best bargaining position it could hope to achieve, and is therefore eager to capitalize on it in order to try to reach a settlement now. The other current believes that the war has shown that Egyptians themselves had under-estimated their military capabilities and the outside support they could command, and is therefore inclined to be more reticent and insist on more demanding terms. Both currents are already committed to entering peace negotiations with Israel without insist-

ing on prior Israeli withdrawal. However, the former is likely to be accommodating in order not to forfeit the present opportunity

... It seems evident from the fact that Egypt agreed to the negotiation clause of the ceasefire resolution . . . that so far it has been the moderate current that has prevailed. However, it is equally evident that the other, more militant, current cannot be ignored, and could come to prevail should there be a breakdown of the ceasefire or should the anticipated negotiations tarry too long in coming or give signs of inconclusiveness (*Excerpts from analysis of Arab-Israeli conflict by Professor Nadav Safran of Harvard University, Foreign Affairs, January 1974*).

October war's military lessons

By Richard Cox

The disengagement of the Egyptian and Israeli forces in Sinai should prove to be one of the few triumphs of common sense in the Middle East for many years. If Dr. Henry Kissinger can add to it a solution of the Israeli-Syrian confrontation on the Golan Heights, which at the time of writing was his next task, the U.S. Secretary of State's unique brand of whistle-stop diplomacy should earn him a second Nobel Prize for Peace.

The essence of the disengagement in Sinai, agreed on January 18 of this year, is that, on the one hand, it rescued Israel from a position on the West Bank of the Suez Canal that superficially looked like a step from victory but was actually untenable as well as unstable. On the other hand, it saved Egypt from a possible humiliation over the encircled Third Army that might have compelled President Anwar Sadat to resume the war. Better still, by restoring control of the Suez Canal to Egypt, the disengagement agreement provided enough face-saving benefits for the Arab side to enable Egypt to sign an accord stopping far short of the demand for return of all the territory occupied by Israel in the 1967 six-day war. The disengagement line, meanwhile, did not leave Israel in a bad military situation.

Examination of the military lessons of the Arab-Israeli conflict of October 1973 should start with the war aims and strategies of both sides. The Arab states, principally Egypt and Syria, backed by Iraq, Saudi Arabia and Jordan, sought by superiority of troops and weapons to force Israel back to its pre-1967 frontiers. Thus

Sinai would be recovered for Egypt, the West Bank of the River Jordan for Jordan or possibly for the establishment of a Palestinian state together with Jerusalem and the Golan Heights for Syria.

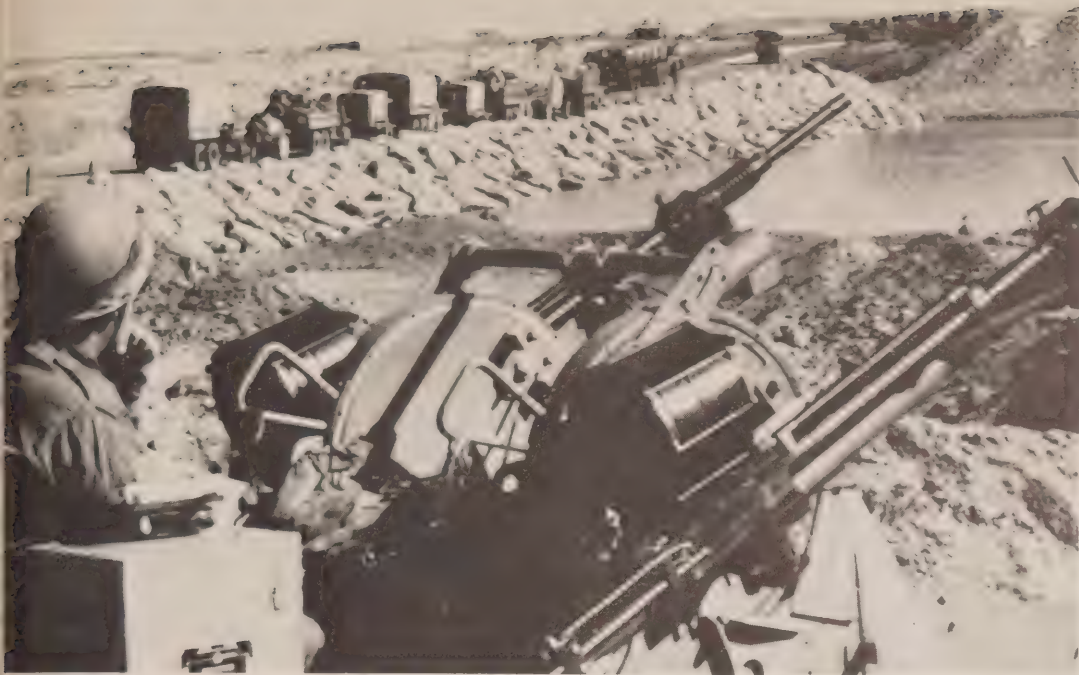
For its part, Israel sought to preserve the buffer territory acquired in the 1967 war. To the Israeli generals, a greater degree of "early warning" than the old frontiers made possible is now considered indispensable; the old frontiers are too close to Israel's few cities. The problem was that Israel's population totalled only 3.2 million against a combined 52 million in the Arab states involved. By taking every able-bodied man, and quite a few women, into service, Israel could muster forces of about 300,000. But Egypt and Syria alone could muster 1,170,000, and they were reinforced by a Jordanian brigade, Iraqis and some Saudis. Had Libyan and other allied troops actually taken part the battlefield imbalance would have been even greater.

Better armed

Supplies of *matériel* also favoured the Arabs. The rearming of Egypt and Syria by the Soviet Union had made those countries better armed than in 1967, both in quantity of equipment and in quality. In particular, they had obtained the sophisticated SAM 6 guided anti-aircraft missiles and a great many anti-tank rockets, including the NATO code-named *Sagger* and *Snapper* guided ones as well as *Mig-2* interceptors. The United States had rearmed Israel. But Israel still had only 9 *Phantoms* and 160 *Skyhawks*, plus 3 *Mirage* 111Bs among its 488 combat aircraft. By comparison, Egypt had 620 combat aircraft and Syria 326. Even though perhaps 200 of the Egyptian planes were in storage, Egypt and Syria between them had more than 400 *Mig-21* interceptors, 180 *Mig-17* fighter-bombers and an assortment of bombers. The disparity in tank strengths was similar.

Given this situation, Israel was compelled to aim for a repeat of the swift an

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AP Cablephoto — Canada Wide Service

Anti-aircraft gunner stands watch (foreground) as Israeli convoy pulls back into Sinai in late January over the land bridge that had served earlier to funnel supplies

to the Israeli beachhead on the west bank of the Suez Canal. The withdrawal from the west bank was part of the disengagement agreement signed with Egypt.

crushing success of 1967. But, after three weeks, albeit averting an early danger of defeat, the best the Israelis could do was achieve sufficient success for the Arab side to accept a ceasefire. The outline of events is worth recounting, not least because many observers thought Israel on the brink of a great victory at the time of the ceasefire. It would, I believe, have proved short-term success, followed by long-term defeat.

At the start, the attack on a major Jewish public holiday — Yom Kippur — gave the Arabs an advantage. A massive Arab tank army was moved across the Suez Canal, at least 100,000 strong. Supported by artillery and strike aircraft, and backed by the screen of SAM 6 sites west of the canal, this army began to force its way into Israel's Bar Lev Line east of the canal. Simultaneously, the Syrians began a bitter assault on Israeli positions in the Golan Heights. Thus Israel was engaged in heavy fighting at both extremities of its territory, while still needing to patrol the West Bank in case Jordan launched an attack in the centre. Such an attack would have been extremely difficult, given the terrain, and Jordan did not in fact attempt it. Nonetheless the possibility tied up men.

Surprisingly, the Egyptians did not break through the Bar Lev in one concen-

trated thrust, perhaps for fear of their line of communications being cut. Instead, they became involved in the biggest tank battle since the Second World War — a battle in which the Israelis abruptly discovered the effectiveness of Egypt's Russian-supplied anti-tank weapons, and in which many aircraft were shot down. In the first three days, Israel was estimated to have lost a tenth of its combat aircraft, and its tank losses were very heavy. Admittedly, Arab losses were greater. However, it became clear that this was a war of attrition in which eventually Arab numerical superiority could prevail. Indeed, the Soviet Union was already resupplying Egypt and Syria by sea across the eastern Mediterranean.

U.S. matched Soviet flow

The Israelis' skill as tank-gunners and pilots was high — but not enough by itself. The very real likelihood of Israel being defeated for lack of *matériel* forced President Richard Nixon to match the Russian resupply of their protégé. Giant jet transports and replacement *Phantom* F4 fighters began to be ferried to Israel *via* the Azores. Sea shipments began, but it was an eight-day voyage from the eastern seaboard to Tel Aviv and in eight days the battle could have been over. By the end of the second

U.S. forced to match Soviet resupply of 'protégé'

week, the U.S. airlift was matching the 800 tons of supplies reaching the Arabs each day. Significantly too, the sophistication of American weapons pouring in was markedly increased. It included electronic counter-measures equipment (ECM) with which Israeli pilots could jam the control systems of enemy missiles and allegedly included the pinpoint-accurate TV-guided SMART bomb.

By the tenth day, Israel was successfully holding new ground in the Golan Heights close to Damascus. Israel could afford to build up in Sinai, where there was something approaching a stalemate. Certainly the Egyptian army, whose officer corps was completely overhauled after the 1967 war, was fighting much harder than Israel expected.

On October 16, the tenth day, Israeli Brigadier-General Ariel Sharon launched a bridgehead across the Suez Canal just north of the Great Bitter Lake. It was a classic manoeuvre, putting forces in rear of the Egyptian Third Army around the town of Suez and cutting off its supplies. Its other aim was to destroy the Egyptian SAM sites on the west bank of the Canal, sites that were inflicting grievous damage on Israeli planes. At first the Egyptians seem to have thought this was merely another raid of the kind Israel had so often made in previous years. But by October 21, there were 12,000 Israeli troops in the Egyptian homeland and, by October 24, 15,000. Israel held a 250-square-mile chunk of desert and the Third Army was beleaguered.

In fact, the Egyptian Second Army in the north, near the Mediterranean end of the canal on the east bank, was in good shape. It could not, however, both hold the Israelis there and get its tanks back across the narrow strip of water to attack the Israeli task force. Time was needed to organize the many thousands of men around Cairo. Egyptian pilots, suffering from the Israeli *Hawk* missiles, were flying few sorties. The Third Army had only a few days between it and starvation. At this point, on October 22, a ceasefire was achieved.

Israeli dead from official figures, were 2,149. The wounded numbered perhaps three times as many. The Egyptian dead were estimated at 7,000. Israeli aircraft losses had been 125 against 450 Arab with 900 tanks lost against 2,000 Arab. These figures support the contention that Israel could not go on forever, even though it could have enjoyed an immediate crushing victory over the Egyptian Third Army. Furthermore, as a nation, Israel is extremely sensitive to casualties.

In fact, the Yom Kippur war showed basic tactical and strategic alterations in the military balance between Israel and the Arab world.

The most important tactical change was in the complicated equation involving aircraft *versus* tank, missile *versus* tank and missile *versus* aircraft. In the 1967 war, Israeli air-strikes against Arab tanks and supply columns were extremely effective and so was the skill of Israeli tank-guns, especially using their *Centurion* tanks. This time, the man-portable SAM 7 anti-aircraft missile, the large number of conventional 57mm and 23mm anti-aircraft guns and, above all, the SAM 6 missiles, forced the Israelis to the realization that it was not necessarily worth while to attack a \$150,000 tank with a \$5-million aircraft when the aircraft could be shot down by a \$15,000 missile. Even the ECM equipment was not so effective, since the Egyptians fired their missiles in salvoes, switching off the command guidance system shortly after the launch. A system that has been switched off cannot be jammed and the homing devices continued to operate. There is a clear lesson here for NATO's European defence plans.

Anti-tank missiles

At the same time, the Israelis found that the Egyptian infantry had far more anti-tank missiles than last time. In the words of one on-the-spot commentator, Brigadier W. F. K. Thompson of the *London Daily Telegraph*: "The Russian SPG 7, an unguided anti-tank rocket, and the *Sagger* and *Snapper* wire-guided, anti-tank missiles, used in quantity, presented the Israelis with tactical problems their forces were not well organized to solve."

The stalemate thus produced was broken by General Sharon's Canal bridgehead. However, the same situation would eventually have repeated itself, even assuming that Soviet threats of intervention were bluff. The Egyptians would have gathered strength again, infuriated by the annihilation of their Third Army, and the Israelis, with their lines of communication so extended, would have had to withdraw.

Of course, this is guesswork. What actually followed was 85 days of uneasy truce, in which Israel lost a further 30 dead and 119 wounded from sniping fire and during which the U.S.S.R. completely replenished the Arab armoury. Egypt also claimed to be deploying SAM 6 and 7 missiles on the east bank of the Canal. Israel could not afford a return to fighting at that point.

More than this, the October campaign, accompanied by an unprecedented

*On tenth day
Sharon won
bridgehead
across Suez*

*Third Army
had only
'a few days
between it
and starvation'*



UPI photo

Observer trucks of the United Nations Emergency Force move into position in Egypt on the southern front after the signing of the disengagement pact between Egypt and Israel. A Canadian contingent part of UNEF II.

display of Arab unity, suggests that the era of quick Israeli victories is past. Next time — if there is a next time — the Arabs will bludgeon their way through to a victory, not hesitating to use concurrently the weapon of restricting oil supplies to the rest of the world. Next time too, they will

The most important military consequence of this inconclusive struggle is that Israel has lost — perhaps permanently, certainly temporarily — the military superiority she had enjoyed since the 1956 Suez War. This loss is the result of a combination of circumstances. The most prominent is the arrival on the battlefield of new combinations of weapons that reduced and, in some cases, nullified the effectiveness of the fighter-bomber tank team on which Israeli military superiority was based

Arab successes in the crossing of the Suez Canal and the subsequent fighting in the Sinai desert and on the Golan Heights are the basis for the second significant consequence of the war. This is the emergence of Egypt and Syria as serious military powers and the assumption by Arab leaders, military and political, of a sober

use the long-range rockets that remained unfired in October.

Thus a very great deal hangs on the present disengagement, on progress toward a lasting settlement and on the success of the United Nations Emergency Force. The new situation, in which Israel has withdrawn to the hills in Sinai through which run the famous Mitla and Giddi passes, is basically a sound one. These are good defensive positions. The eight-mile no man's land between them and the Egyptians on the east bank of the Canal will be patrolled by the UN peacekeeping force. But the job is a far cry from the intercommunal peacekeeping of Cyprus. Here the blue beret must stand between fully-equipped modern armies. The UN could do worse than study the report on the unique Anglo-American "First Look" arms-control and surveillance exercise held in Southern England in 1968. Covering an area of 2,000 square miles, this exercise tested both human and automatic ways of checking on military movement, from individual men to aircraft, using only small observer teams. The idea was to achieve a non-intrusive inspection system on a reciprocal basis that would "reduce international tension". It was intended for Western Europe, but it would be useful in the present Middle East situation.

In the long run, the best solution may be to make Sinai a demilitarized zone, restoring the oil-wells at Abu Rudeis to Egypt and giving Israel assurances that no troops will move in.

Non-intrusive inspection plan seen as useful for application in Middle East

confidence more impressive than the vain-glorious boasting of the past. Arab officers no longer are fanatical crusaders, but sober, competent professionals

Arab confidence also reflects a new sense of Arab unity. Politically this is expressed most forcibly in the oil embargo and in the extensive financial aid given the combatants by the oil states. Militarily it is symbolized by the movement to the battlefronts of other Arab forces, Iraqis, Moroccans and Jordanians on the Golan front, Algerians and Kuwaitis to Egypt. The psychological lift was significant. After half a century of talk, "Arab unity" has been given effective expression. (*Excerpts from an analysis of the Yom Kippur War by Drew Middleton, military editor of The New York Times in The Atlantic, March 1974*).



UPI, AP — Canada Wide photos

The initial session of the Geneva conference, designed to launch Middle East peace negotiations, was convened on December 21, 1973, and adjourned a few days later to permit talks on disengagement of forces. Pictured (centre) is the scene at Geneva's Palais des Nations as the conference got under way. In front is the table for the Syrian delegation; Syria chose to remain absent from the initial phase of the conference. At right, Avi Primor, Israeli spokesman, holds earphone to his head as he answers question at press conference preceding formal Geneva sessions. Egypt's Foreign Minister Ismael Fahmi (left) presents his country's position on the conference's opening day.

Examining the possible tasks for Mideast's second UNEF

By E. L. M. Burns

Six years and five months after the first United Nations Emergency Force was requested to leave Egyptian territory, a second UNEF was set up by Security Council Resolution 340 of 24 October 1973. What purposes is it intended that this force should serve? What are the chances for its succeeding in a mission to maintain peace when the first UNEF, after helping to keep peaceful conditions along the demarcation line between Egypt and Israel for nearly 11 years, eventually failed?

The first UNEF was set up under authority of the General Assembly, a move whose legality was contested by the Soviet Union. The U.S.S.R., however, did not vote against the resolution but abstained, in deference to Egyptian wishes. The Egyptians saw the force as a means of getting the invading French, British and Israeli forces off its territory. But the Soviet Union soon came to view UNEF as a body that favoured Western interests and refused to pay any part of its costs, basing its refusal on the alleged illegality. Then, in 1967, when Egypt asked for UNEF's withdrawal, U Thant decided that he was obliged to consent, as the General Assembly did not have the authority (which, under the Charter, the Security Council has) to direct that a UN force should remain in an area where peace was threatened.

The second UNEF, however, has been established by the Security Council, and

should not be withdrawn except on its motion or with its consent. Both the United States and the Soviet Union voted for Resolution 340, as did the other members of the Security Council — except France, which abstained, and China, which did not take part in the voting. Thus there exists an essential for the effectiveness of the operation, which is that the United States and the U.S.S.R. should be in general agreement that peace should be restored, and in what manner.

Six-month span

However, the authority for UNEF/II (as we may call it) is not for an indefinite period. Under Resolution 341, it is established for an initial period of six months and should continue in operation thereafter provided the Security Council decides. This means that a veto on the continued operation of the force could be imposed after six months by any of the five permanent members. Authorization for one six-month period at a time follows the pattern set for the UN Force in Cyprus — which, reauthorized every six months has been in existence since 1964. Resolution 341 also approved the proposals of the Secretary-General for setting up the force, which we shall presently mention.

Resolution 338, calling for a ceasefire, which preceded the resolutions setting up UNEF/II, called on the parties concerned to start immediately after the ceasefire to implement Security Council

Resolution 242 of 22 November 1967, and decided that, "immediately and concurrently with the ceasefire", negotiation aimed at establishing a just and durable peace should start, "under appropriate auspices". The Security Council has ordered a great number of ceasefires in the Middle East since 1948, but this is the first time that it has directed that negotiation for peace should follow when the shooting has stopped.

The following are the most important elements in the proposals of Secretary-General Kurt Waldheim for setting up UNEF/II:

- The force would first supervise the ceasefire ordered in Resolution 340 and the return of the parties to the positions occupied by them on October 22.

- It would be under the command of the United Nations, vested in the Secretary-General under the authority of the Security Council. The command in the field would be exercised by a force commander appointed by the Secretary-General with the consent of the Security Council. This formula was worked out, when the crisis demanded action, and constituted an interim solution to one of the problems the UN's Committee of 33 had been wrestling with since 1965: Should a peacekeeping force be directed by the Secretary-General or should it be by a military staff committee, as set out in Article 47 of the UN Charter?

The authority of the Security Council in day-by-day operation of the force is established by the following paragraph:

"The Secretary-General shall keep the Security Council fully informed of developments relating to the functioning of the force. All matters which may affect the nature or the continued effective functioning of the force will be referred to the Council for its decision."

The proposals state the usual requirement that the force would have freedom of movement and communications in the theatre of operations, and mention the possibility of its occupying buffer zones between the parties — as UNEF/I did.

Financing of UN force

Financing of UNEF/I had always been a matter of contention, and the Committee of 33 had been struggling with the general problem of financing peacekeeping operations for years. But, after long and difficult debate in the Fifth (Finance) Committee of the General Assembly, a solution was reached, so far as UNEF/II was concerned, and approved by Resolution 3101 (XXVIII) of December 11. Of the estimated cost for six months of \$30-million,

the permanent members of the Security Council would pay 63 per cent; economically-developed states would pay 35 per cent; less-developed states would pay two per cent, and 25 of the poorest member states would pay \$15,000 among them. This solution maintained the principle that all members were responsible for meeting the costs of peacekeeping, subject to ability to pay.

The contingents comprising the force were to be selected "bearing in mind the accepted principle of equitable geographic representation". The important point in implementing this principle is that a country belonging to the Warsaw Pact (Poland) has been included in the force, to balance the presence of Canada, a NATO member. The first elements of the force in the theatre were contingents from Austria, Finland and Sweden — about 585 ranks all told — transferred from UNFICYP. The governments concerned had been asked to bring their contingents up to battalion strength. Ireland also agreed to allow its contingent in Cyprus to be transferred to UNEF and to supply additional personnel. Other countries asked to provide contingents are Ghana, Indonesia, Nepal, Panama, Peru and Kenya.

General Silaasvuo of Finland, the chief of staff of the UN Truce Supervisory Organization, was appointed Commander of the force on the recommendation of the Secretary-General, approved by the Security Council.

As soon as the first UNEF/II elements arrived from Cyprus they were deployed from the Egyptian side in the area where fighting had halted, and were engaged in efforts to maintain the ceasefire (which had been disturbed by numerous outbreaks of small-arms and artillery fire, unaccompanied, however, by any attempt to improve positions, after the "second ceasefire" of October 25).

Lieutenant-General Burns, currently visiting professor of strategic studies at Carleton University's School of International Affairs, served as commander of the first United Nations Emergency Force in the Middle East from 1956 to 1959. For two years before assuming the UNEF command, General Burns was chief of staff of the UN Truce Supervisory Organization in the Middle East (UNTSO). From 1960 to 1968, he was leader of Canada's delegation to the Conference of the Committee on Disarmament in Geneva. He is the author of a number of articles and books, including Between Arab and Israeli. The views expressed in this article are those of General Burns.



Discussions were held with both parties with a view to interposing UNEF/II between them (as had been done by UNEF/I in 1956) and so putting a stop to the sporadic incidents of firing, which commonly occur in the Middle East when hostile troops are in sight of each other at short range. Trigger fingers are chronically itchy. But because of the dispute about where the ceasefire line should be drawn, nothing was achieved — at first.

However, through the efforts of U.S. Secretary of State Henry Kissinger and

Secretary-General Waldheim, and other diplomatic action, it was possible to open the negotiations for peace, called for in Resolution 340, at Geneva on December 21. Representatives of Israel, Egypt, the U.S.S.R. and the U.S.A., under the chairmanship of the UN Secretary-General began to discuss how the separation of forces was to be effected.

Disengagement pact

After the December 31 election in Israel Israel's Defence Minister Moshe Dayan

Text of disengagement agreement...

Following is the text of the agreement signed on January 18, 1974, by Israel and Egypt on the separation of their forces on the Suez front:

(A)

Egypt and Israel will scrupulously observe the ceasefire on the land, sea and air called for by the United Nations Security Council and will refrain from



AP Wirephoto — Canada Wide Service

Egyptian officers examine Israeli map before signing disengagement accord in tent at Kilometer 101. At center is Lt.-Gen. Mohamed Abdul Ghany Gamasy, Egyptian chief of staff. At right of General Gamasy is Egyptian Brig.-Gen. Taha El-Magdoub. Directly behind General Gamasy is Lt.-Gen. Ensio Siilasvuo, commander of the UN Emergency Force.

the time of the signing of this document from all military or paramilitary actions against each other.

(B)

The military forces of Egypt and Israel will be separated in accordance with the following principles:

1. All Egyptian forces on the east side of the canal will be deployed west of the line designated as Line A on the attached map. All Israeli forces including those west of the Suez Canal and the Bitter Lakes will be deployed east of the line designated as Line B on the attached map.

2. The area between the Egyptian and Israeli lines will be a zone of disengagement in which the United Nations Emergency Force will be stationed. The UNEF will continue to consist of units from countries that are not permanent members of the Security Council.

3. The area between the Egyptian line and the Suez Canal will be limited in armament and forces.

4. The area between the Israeli line, Line B on the attached map, and the line designated as Line C on the attached map, which runs along the western base of the mountains where the Gidi and Mitla passes are located will be limited in armament and forces.

5. The limitations referred to in Paragraphs 3 and 4 will be inspected by UNEF. Existing procedures of the UNEF, including the attaching of Egyptian and Israeli liaison officers to UNEF will be continued.

6. The air forces of the two sides will be permitted to operate up to their respective lines without interference from the other side.

carried to Washington a proposal for a preliminary Israeli withdrawal to a line some 20 miles east of the Suez Canal. As a result of rapid-fire diplomatic exchanges among Dr. Kissinger and Egyptian and Israeli leaders, a formula for disengagement of forces was worked out in January and an agreement signed on January 18. This agreement set out a zone between the opposing forces in which UNEF would be stationed. This was the good and necessary first step in moving toward the final "secure and recognized boundaries" re-

ferred to in Resolution 242 of November 22, 1967. UNEF can obviously play an important role by supervising this withdrawal of Israeli forces and by interposing its troops between the erstwhile combatants.

What might the functions of the UNEF be in supervising the several terms of Resolution 242, if they were indeed included in peace treaties between the parties?

The first principle set out in Resolution 242 was that Israeli armed forces

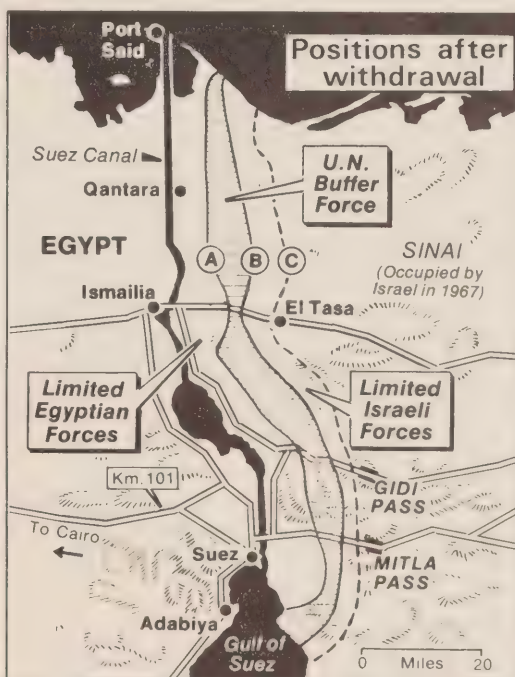
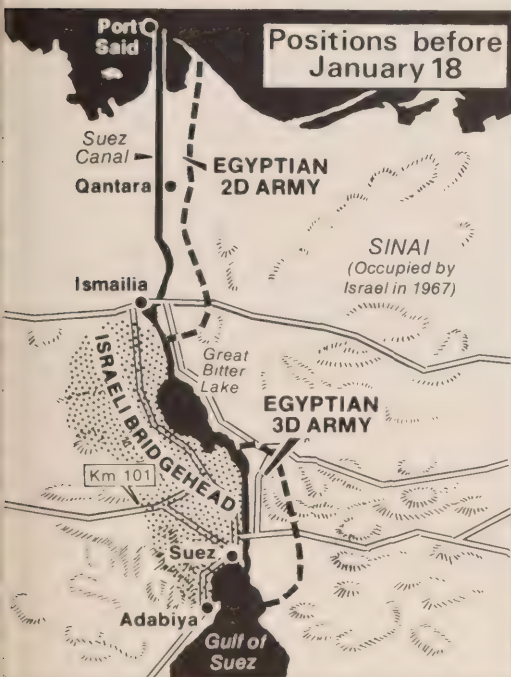
(C)

The detailed implementation of the disengagement of forces will be worked out by military representatives of Egypt and Israel, who will agree on the stages of this process. These representatives will meet not later than 48 hours after the signature of this agreement at Kilometer 101 under the aegis of the United Nations for this purpose. They will complete this task within five days. Disengagement will begin within 48 hours after the completion of the work of the

military representatives, and in no event later than seven days after the signature of this agreement. The process of disengagement will be completed not later than 40 days after it begins.

(D)

This agreement is not regarded by Egypt and Israel as a final peace agreement. It constitutes a first step toward a final, just and durable peace according to the provisions of Security Council Resolution 338 and within the framework of the Geneva Conference.



The New York Times

Map indicates Egyptian, UN and Israeli zones (right) and positions occupied before the January 18 disengagement accord. The letters mark the lines

referred to in the text of the agreement. Disengagement was completed in stages culminating in final pulback to positions indicated by March 5.

*Rogers plan
envisaged
same boundary
as old one
between Egypt
and Palestine*

should withdraw from territories occupied in the 1967 six-day war. The Arabs say this means *all* such territories; the Israelis take the stand that it means withdrawal to "secure and recognized boundaries". What would be a "secure and recognized boundary" between Israel and Egypt? (The possibilities of a peace settlement have to be examined serially in relation to the situations involving Israel and each of its neighbours — Egypt, Jordan, Syria and Lebanon).

In 1970, the then U.S. Secretary of State, William Rogers, proposed that the boundary should be the same as the old one between Egypt and Palestine when it was under the British mandate. It ran roughly from Rafah, on the Mediterranean, to Eilat, on the Gulf of Aqaba, and was properly demarcated and monumented. This would leave the Gaza Strip under Israeli occupation, with the 300,000 Palestinian refugees and pre-1948 residents. Their future status would be best considered along with that of the Palestinians on the West Bank.

Likud position

The Israelis did not accept this proposal, and, although the Israeli Government has never adopted a definite position on what the boundary should be, the Likud (right wing) party, which made gains in the recent election, was calling for the retention of the whole of the Sinai, as well as the West Bank (Jordanian territory) and the Golan Heights (Syrian territory). Unofficial statements by General Dayan and others before the October 6 war indicated that Israel would insist on holding Sharm el Sheikh and a corridor to it through the Sinai. The reason for this was that, if Egypt were allowed to reoccupy Sharm el Sheikh, Egyptian forces could again blockade vital shipping to and from Eilat. Israel cited previous blockades as the main reason why it had to open hostilities in the 1956 and 1967 wars.

But Egypt would certainly not agree to hand over such a large piece of its territory. It is to be hoped that Israel, when its position is finally revealed during the forthcoming peace conference, will not persist in this demand. It may be that the Israelis will see that holding Sharm el Sheikh is irrelevant since, in the October 1973 war, the Arabs were able to institute a blockade at the Strait of Bab el Mandeb, connecting the Red Sea with the Indian Ocean, 1,200 miles south of Sinai, and out of range of Israel's armed forces.

In return for Israeli withdrawal, Egyptian President Anwar Sadat was prepared to "terminate all claims or states

of belligerency, and respect and acknowledge the sovereignty, territorial integrity and political independence of every state in the area, and their right to live in peace within secure and recognized boundaries, free from threats or acts of force", — the second principle of Resolution 242. This meant that Egypt would recognize Israel in a peace treaty. The undertaking was given in reply to questions put to Egypt and Israel by Ambassador Gunnar Jarring in February 1971.

President Sadat was also willing to promise not to interfere with Israel shipping into the Gulf of Aqaba and to permit Israeli commerce to pass through the Suez Canal, when it was reopened, in accordance with the 1888 Istanbul Convention, which regulated international rights of passage through the waterway. He would accept the stationing of a UN force at Sharm el Sheikh, as a guarantee to freedom of Israel shipping.

Resolution 242 also affirmed that it was necessary to guarantee the "territorial inviolability and political independence of every state in the area, through measures including the establishment of demilitarized zones".

Would any kind of demilitarized zone help in a peaceful settlement between Egypt and Israel? The Israelis have been arguing that, if they withdraw from the Sinai, the Egyptians should limit their armed forces there as they reoccupy it. This is not an unreasonable suggestion. From a military point of view, a broad expanse of desert between the offensive armed-force elements of the two states could constitute the most secure kind of boundary. Egypt was not made secure by stationing armoured and infantry divisions close to the border with Israel, as was proved in the 1956 and 1967 wars; Israel was not made secure by having its forces on the Suez Canal, as the October 1973 war showed. Egypt could exercise sovereignty over the sparsely-populated Sinai with relatively few lightly-armed troops, as it did with the Camel Corps before 1948.

If this kind of agreement were reached, the UNEF would have the duty of ensuring its observance. There should probably be elements of the force stationed at points along the Egypt-Israel border where the main routes cross it — preferably on *both* sides of the border, and not only on the Egyptian side as in 1956-1967. There should also be elements of the UN forces stationed at crossing points over the Suez Canal, to ensure that Egypt adheres to an agreement not to deploy heavy offensive forces in the Sinai.

Another principle of Resolution 242

affirms that for "a just and lasting peace" there must be "a just settlement of the refugee problem". Anwar Sadat included this condition for a peace settlement. But what would be a "just settlement of the refugee problem"? Since 1948, successive resolutions of the UN General Assembly have called for those Palestinian Arabs who wished to do so to be allowed to return to Israel — the others to receive compensation. Israel has refused to allow such a large-scale return on the ground that the state could not survive if it took in nearly a million sullenly hostile Arabs while the surrounding Arab states were, in effect, at war with Israel and proclaiming the elimination of the Jewish state as their object.

But now, as a result of its occupation of the Gaza Strip, the Sinai and the West Bank, Israel has about a million more Palestinians under its control to add to the 300,000 or so Arab "Israeli citizens" who never left their homes. Arabs in the Gaza Strip are allowed a certain amount of liberty to move about in the Israeli-controlled territory, visit relatives and take employment. Trade passes across the River Jordan to the part of Jordan still under King Hussein's rule. It would seem that, if there is to be any solution for the settlement of the refugees in the Gaza Strip, it must be in conjunction with what happens to the Palestinians on the West Bank. There is no indication that Anwar Sadat wants to resume responsibility for the administration of the Gaza Strip. If this is so (and no reasonable Middle East peace plan could envisage a return to the situation before 1967), there would be no role for the UNEF/II in Gaza — unlike UNEF/I, which had the bulk of its force here.

Rights of Palestinians

So we come to the most difficult of the problems in achieving a "just and lasting peace" — what to do about the West Bank, and the Palestinians in the Gaza Strip. Here there is no relatively simple solution, such as that outlined in the previous pages for Egypt and Israel. Under the principle of self-determination, the Palestinians should have the right to an independent state of their own. The difficulty is that such a state would have no economic viability. The factions existing among the Palestinians would certainly produce political instability, and there is no guarantee that such a state, if it were set up, would be able to prevent terrorist action by its inhabitants; its neighbours, particularly Israel, would not be free "from threats or acts of force".

Another possible solution is the return

of the West Bank to Jordanian rule, with the addition, perhaps, of the Gaza Strip. There have been reports that representatives of King Hussein and the Israeli Government have been exploring the elements of such an arrangement. The Israelis would expect, as a minimum safeguard, the demilitarization of the West Bank. Supervising this might be another task for the new UNEF. However, the terms of peace on this front have not been worked out to the extent that they have been on the Egypt-Israel marches, so it is not profitable now to speculate further on UNEF's possible role here.

Future of Jerusalem

Sovereignty over Jerusalem is likely to be the most difficult of the issues that should be settled if there is to be a real peace. Israelis have asserted that they will never give the Old City back to Jordanian rule as it was before June 1967. Saudi Arabia's King Feisal, who is the principal paymaster of the belligerent Arab states and who holds the power of decision on the use of the oil boycott weapon, has said that Jerusalem, which is holy to the Moslems throughout the world, must be returned. But the city is holy to the Jews and the Christians as well. The only reasonable solution to the conflicting claims of the religions, it would seem to an unemotional outsider's eyes, would be for sovereignty over the historic Old City to be exercised by an international commission representing all three religions. If this plan were adopted, there would be another role for UNEF, or some more permanent successor, in policing the city.

We come now to the conditions for a settlement with Syria. Israelis have been saying that they intend to hold the Syrian territory they seized in the 1967 war, the Golan Heights, and beyond. Their seizure of this area was provoked by the constant harassment of the Israeli settlements in the Huleh Valley by the Syrians, who looked down on them from the heights. Israel claims that these settlements cannot be safe while the Syrians hold this high ground. It should be remembered, however, that much of the land of the Israeli settlement was formerly the property of Arabs, now refugees in Syria, and that they have never been compensated for its loss. The acts of harassment arise basically from resentment over the expulsion of Palestinians, and the frustration of the long years since 1948, during which nothing has been done to comply with repeated UN resolutions calling for return and restitution.

*Much of land
was property
of Arabs
now refugees
in Syria*

There have been UN observers on the front between Israel and Syria since 1957. Their reports of the endemic hostilities — mainly small-arms and artillery fire — have produced no effective action by the Security Council. It might be that a settlement between Israel and Syria (the most intransigent of the neighbouring Arab states) could be based on there being a demilitarized zone on the Golan Heights, occupied by part of the UNEF. This should be accompanied by a plan for adequate compensation for the displaced Palestinians from the west of the Jordan in this area.

It is generally acknowledged that, if peace settlements could be reached between Egypt, Jordan and Syria and Israel,

there would be little difficulty in establishing peace between Israel and Lebanon. The present ceasefire line between the two countries is the same as the old boundary of the Palestine mandate days, and it has stood, generally quiet, from 1948 to 1967, though since disturbed by the activities of the Palestinian guerilla groups.

This review of the ways in which the new UNEF could be used to help maintain a peace worked out on the principles laid down in Resolution 242 contains a great many "ifs". No one, as 1974 begins, would predict that peace is at last to be established. But many have said that, now that Israelis and Arabs have sat down together in Geneva, the prospects look better than at any time since 1948.

UNEF II: New chance to set firm peacekeeping guidelines

By Henry Wiseman

This most explosive and persistent international crisis in the Middle East continues to generate fragile forms of conflict containment. The Arab-Israeli confrontation has caused four wars and four United Nations peacekeeping operations and their derivatives: UNTSO 1949, UNEF I 1956, UNTSO SUEZ 1967 and UNEF II 1973. Repeated mediatory efforts have so far produced no lasting resolution. The peacekeeping operations have, however, assisted in separating the forces and monitoring the conflict, providing a moderating international presence and a mediatory network. Yet, in addition to the inherent instability in the area, these operations have been marred by fundamental disagreements within the UN with respect to their mandates, methods of implementation and financing. No other serviceable method has, however, been found to replace them. UNEF II is the fourth attempt at "ad hococracy".

UNEF II, however, differs in many respects from its predecessors. Several of the basic criticisms levelled by the Soviet Union against the United Nations Truce Supervisory Organization (UNTSO) and UNEF I have been met by accommodation

between the U.S.S.R. and the United States in the formation of UNEF II because of the pressure of events. These issues, related to the questions of mandate, structure, composition, finance and the role of the UN Secretary-General, have been the subject of frequent debate for eight years in the Special Committee on Peacekeeping Operations (Committee of 33). The question now arises whether agreements hammered out for UNEF II will be carried into effect by the Special Committee.

Canada, a continuing presence in all UN peacekeeping, has played a significant role in every Middle East operation and in the discussions held in the Special Committee since its inception in 1965. In 1956, Canada was to the fore in the creation of UNEF I; in 1973, though the object of serious contention related to the question of balanced composition, Canada was invited to provide essential logistic support and the largest component from any contributing member state. Canada is inextricably involved both in the politics of the creation of UNEF II and its implementation.

What follows is an analysis of some

aspects of the establishment of UNEF II in relation to the issues disputed in the Special Committee, and the manner and substance of the Canadian contribution. The whole is based on evidence available at mid-January 1974.

Mandate for UNEF II

With the outbreak of hostilities on October 6, 1973, Israel was subjected to a severe onslaught by Egypt and Syria. On October 7, the United States requested a meeting of the Security Council. Though the Council was convened on the same day to receive the U.S. proposal for an immediate ceasefire, any action was effectively blocked by the Soviet position that "no new decision on the Middle East by the United Nations was required". Unlike the situation in October 1956, when political paralysis in the Security Council permitted the issue to be taken up by the General Assembly on the basis of the Uniting-for-Peace Resolution, the 1973 situation was such that no action of that sort was politically feasible. By October 21, however, the tides of war had shifted to Israeli advantage. The Soviet Union, recognizing a serious threat to international peace and security, introduced with the United States Resolution 338, calling for a ceasefire as of 1600 hours October 22. The Council adopted this resolution and also, the following day, Resolution 339, requesting the Secretary-General to dispatch observers drawn from UNTSO SUEZ to observe the ceasefire. This proved to be only a temporary measure.

On October 25, the Council adopted Resolution 340, sponsored by eight non-aligned states. This resolution decided "to set up immediately under its authority a United Nations Emergency Force to be composed of personnel drawn from states members of the United Nations except the permanent members of the Security Council, and requests the Secretary-General to report within 24 hours on the steps taken to this effect". It was passed by a vote of 13 in favour; France abstained and China did not participate in the vote.

Discretion of the Secretary-General

The mandate of UNEF II and its implementation demonstrated considerable difference from that of UNEF I. The widely divergent approaches of the Soviet Union and the United States to the authorization, structure and implementation of UN peacekeeping were partially reconciled in the demanding heat of the crisis. The United States wisely decided not to test the waters of the General Assembly during the two weeks of deadlock in the Council,

and the Soviet Union agreed, with reservations, to exclude the Council's permanent members from the force. The wide gap between the two on the degree of Council control and the degree of discretion allowed the Secretary-General in the implementation of the mandate appeared to have been narrowed in the language of Resolution 340 — "decides to set up immediately under its authority a United Nations Emergency Force... and requests the Secretary-General to report to the Council on an urgent and continuing basis". General Assembly Resolution 1000 of 1956 simply invited the Secretary-General "to take such administrative measures as may be necessary for the prompt execution of the actions envisaged in the present resolution". The wide discretion and relative independence assumed by the Secretary-General in UNEF I, as later in the United Nations Force in the Congo (ONUC), occasioned a severe reaction from the Soviet Union.

This time the Council held tightly to the reins. Having been advised by the Soviet Union that it would not tolerate another independent Secretary-General like Dag Hammarskjöld, and considering the restraints imposed upon him in this operation, Kurt Waldheim deserves credit that he has performed his task with such effectiveness and tact. Even so, it is reported that he was accused, at a closed session of the Council of November 1, of overstepping his mandate in asking for Canadian participation without adequate consultation. The Soviet Union's Jacob Malik demanded that Mr. Waldheim "act with the approval of the Council, not simply its consent". Mr. Waldheim's performance, together with that of the Office of the Under-Secretary-General for Special Political Affairs, which administers the mandate, will be carefully weighed when the Special Committee reconvenes to consider such matters as the revitalization of

Dr. Wiseman, Associate Professor of Political Studies at the University of Guelph, has made research into international peacekeeping mechanisms his primary field of research. Professor Wiseman obtained his doctorate at Queen's University with work in this area. An associate of the International Peace Academy, he was Visiting Scholar with the United Nations Institute of Training and Research in 1972-73. Earlier, he published a study, sponsored by the Canadian Institute of International Affairs, examining the record of the UN's Special Committee on Peacekeeping. The views expressed are those of Dr. Wiseman.



the Military Staff Committee and the creation of a sub-organ of the Council to assume some of the executive functions currently performed by the Secretary-General and his staff.

Exclusion of permanent members

While the Council voted to exclude the permanent members from UNEF II, not all were so disposed. The Soviet Union, firmly opposed by the United States, made every effort to include them. France and Britain favoured the idea, each offering to participate in the kind of peacekeeping force that could ensure compliance with the ceasefire. Whether or not they intended this under the UN Charter's Chapter VII, UNEF II would thereby have been elevated from observer to "guarantee" status, akin to enforcement action.

France and Britain were cautious in their proposals. It is nonetheless ironic that the two nations which, together with Israel, invaded Egypt in 1956 and were called upon to withdraw by UN resolution, now offered their military forces to serve under the UN flag to maintain the peace in the same area. As for the Soviet Union, it threatened in 1956 unilaterally to place its troops in the area. This time it again moved vigorously to do so, though preferably in conjunction with the United States. A Soviet note to the United States on the evening of October 24 was reported to have declared: "we strongly urge that we both send forces to *enforce* [italics added] the ceasefire, and if you don't we might consider acting alone". According to President Nixon, the Soviet Union had intended to send a "very substantial force into the Mideast — a military force". A precautionary alert of all American military forces was declared, to give teeth to the President's warning against the introduction of Soviet forces unilaterally, bilaterally or multilaterally under UN auspices.

The Soviet Union, however, would not be entirely denied. On October 26, Leonid Brezhnev revealed that Soviet representatives had been sent to the war zone "to observe the fulfilment of the Security Council's ceasefire resolution". Their purpose was somewhat vague; ostensibly they were sent as a gesture to the Egyptians, and not in defiance of the Council.

UNTSO contingent

Though there remains some confusion on the issue, it appears that the Secretary-General legitimized their presence by an invitation to them to join UNTSO after the fact. As the Soviets had earlier criti-

cized UNTSO on the grounds that it included only Western states, it is clear that the U.S.S.R. intended to rectify the balance. It was difficult for the United States to oppose this manoeuvre, since eight of its own nationals were already serving with UNTSO. Full equity was established in mid-November when a UN spokesman announced that 36 Russians and 36 Americans were assigned to UNTSO. On January 18, 1974, some of the Soviet contingent wearing blue caps and scarves, were among UNTSO personnel at Kilometer 101, where the chiefs of staff of the Egyptian and Israeli armies signed the agreement on disengagement.

Their future role, however, is vague. The agreement on disengagement again specifically excludes the participation of permanent members in UNEF II. Not until the Security Council or the Secretary-General is able to define the future functions of UNTSO will the problem be clarified. Though the Americans would undoubtedly be grateful if the permanent member role in UNTSO could be allowed to lapse or atrophy, it is unlikely that the Soviets, having won their point, could allow a demise. The precedent of Soviet personnel under the UN flag serving as peacekeepers may prove very useful for a future occasion.

The Israelis and Americans had opposed their participation this time. The Chinese also voiced grave objections, but did not participate in the votes on any of the relevant resolutions. The future may not find China in a similar mood of compliant forbearance.

Force composition

Requested on October 25, 1973, to report within 24 hours on the steps taken to set up a United National Emergency Force Secretary-General Waldheim, with the agreement of the Council, dispatched immediately a group of Swedish, Finnish and Austrian officers from the UN force on Cyprus to the Cairo and Suez areas. On the same day, External Affairs Minister Mitchell Sharp announced in Parliament that Canada "could be ready to participate" if invited under appropriate conditions. A verbal invitation was received on October 27, and formally confirmed within hours, in response to Canada's expressed intention of complying under acceptable conditions. A second note from the Secretary-General on October 28 clarified the first by stating that Canada was acceptable to all parties. On October 30, the matter was announced in the Canadian Parliament. An advance group of 300 to 400 men, of an estimated 1,000 to 1,500, pre-

France, Britain were cautious in proposals, but offered forces to serve under UN flag



Canadian Forces photo

A Canadian military policeman directs traffic at a UNEF warehouse in Alexandria as Egyptian children observe incoming road of supplies. Canada has provided a contingent for the UN force in the Middle East with responsibility for communica-

tions as part of UNEF's logistical component. UNEF II is established for an initial period of six months and could continue beyond that span provided the Security Council so decides.

pared to leave within the week to provide the logistic component for UNEF II.

Unexpected political objection and confusion ensued. On November 1, in a closed session, the Security Council is understood to have accused the Secretary-General of overstepping his mandate in requesting the Canadian contribution without adequate consultation. Having earlier objected to the wording of the Secretary-General's report of October 26, the Soviet Union asked that the phrase "adequate geographical representation" be replaced by "equitable geographic representation". The application of the principle of balanced composition became a key issue.

American insistence in the UN's Special Committee that "East Europeans could participate on the same basis as other participants, but without a prescribed political balance," was overtaken by events. Canada, deeply influenced by the lack of co-operation in the "troika" arrangements of the Commissions of Control and Supervision in Vietnam, was now called upon as a NATO member to share the logistics function with a Warsaw Pact member, Poland. Mr. Sharp maintained

that Canada was not acting as a NATO member, and would not be placed in an adversary position *vis-à-vis* Poland. Canada would rely on its experience, competence and objectivity in its assigned tasks. Israel, too, raised objections about Poland, as it did also about Senegal, Kenya, Indonesia and Ghana, with which it has no diplomatic relations. Romania was suggested instead of Poland. Determined to name its own member, the Soviet Union insisted on the selection of Poland.

Directed by the Security Council on November 2 to consult with Canada and Poland on the joint provision of the logistic component for UNEF II, the Secretary-General initiated and participated in the negotiations, which lasted for three weeks. The Poles were of the view that goodwill would enable them to work out the details of an agreement in the field. The Secretary-General was under tremendous pressure, particularly from the Soviets and Egyptians, to put UNEF II into operation without delay. But nothing could be accomplished without logistics. Having supplied the whole logistic component for UNEF I, the Canadians would not be pushed into a hasty and ineffective ar-

Secretary-General under pressure to put UNEF II in operation without delay

rangement with the Poles that could lead to failure.

Poland and parity

Negotiations were further compounded by Polish insistence on parity in all its aspects. The Canadians, however, having been informed by the Secretary-General that their contribution was crucial, were in a strong bargaining position. Negotiations at times went on round the clock. As one observer put it, "everybody was pushed to the wall on this one".

Eventually a *Memorandum of Understanding* was produced on November 23. Poland was assigned transport, engineering and medical services; Canada, communications and the air unit. Appearance of parity was maintained, but, in fact, Canada was assigned the most vital aspect of logistic support, namely communications, and a Canadian was named as Chief of Logistics Services. The Canadians were adamant that no aspect of dual command be allowed to complicate the smooth operation of the force. As of January 11, 1974, there were 1,086 Canadians and 821 Poles in the field — the largest and next-largest national contingents. All indications at that time, despite — or probably because of — the preceding patient but difficult negotiations, were that both components were functioning in full co-operation.

Will these arrangements affect the debate in the Special Committee? The United States Ambassador, William E. Schaufele, in a Washington address on December 6, 1973, generally applauded the achievement of UNEF II. He was careful to point out that "the terms of reference of UNEF concerning the geographic distribution of the force represent a compromise with which we are not entirely satisfied and which we certainly do not regard as a precedent". The Soviet Union, on the other hand, will certainly regard it as such. The controversy on this issue may have been accommodated in practice, but remains unresolved in the Special Committee.

Conditions for withdrawal

The Secretary-General's report to the Council of October 27 reads: "It is my intention to keep the Security Council fully informed of developments relating to the functioning of the force. *All matters which may affect the nature of the continuing effective functioning of the force will be referred to the Council for its decision*" [italics added]. The Council approved the report in Resolution 341 (the vote was 14 to zero, China not participating) and decided further "that the force

shall be established in accordance with the above-mentioned report for the initial period of six months, and that *it shall continue in operation thereafter, if required, provided the Council so decides*" [italics added]. Conditions for withdrawal are not spelt out. The intent, nevertheless, is clear. The final authority of the Council will prevail in all matters, including withdrawal. Exact conditions remain to be worked out on the status-of-forces agreements. The issue was not openly discussed in the sessions of the Council, but the experience of 1967 and the gravity of the situation leave no doubt that all members of the Council are aware of the need to avoid any unilateral action that could nullify the effectiveness of the force. Conversations with members of various delegates at the UN lead to the conviction that the question of withdrawal was an issue in the negotiations between Dr. Kissinger and the Egyptians and Israelis. Details may be revealed when the host-country agreements are concluded and published.

Renewal foreseen

None of the parties expect that a final settlement between Egypt and Israel will be concluded for at least a year. We may anticipate, therefore, that the mandate will be renewed for a further six-month period. If at the end of that time no agreement is in sight, there may be some pressure for withdrawal by dissatisfied parties, perhaps by Egypt or the Soviet Union.

In any event, it will be essential that both the United States and the Soviet Union agree on conditions for renewal or non-renewal of the mandate by the Council. Anything but unanimity on this question may deprive any Security Council resolution of operational effectiveness. Not only must all parties agree on withdrawal terms but, equally, there must be absolute assurance that all states contributing to the UNEF adhere to related terms of the participatory state agreements. In law the Council speaks with one voice. It is essential that all members of the chorus sing in unison.

The financial arrangement for UNEF II is, in many respects, a landmark agreement. Recollection of Soviet opposition to the financial arrangements for UNEF I, as also for ONUC, as well as the rancorous Article 19 debate that threatened to wreck the UN, is sufficient to underline its importance. The issue was a primary reason for the establishment of the Special Committee. Yet eight years of protracted debate produced no resolution; the Soviet Union and France insisted that the Council determine "all matters related to financ-

U.S. regards composition of new force as compromise, not precedent

g," whereas the United States, with Canada, argued that Council determination of this question "must not prejudice the General Assembly's authority to apportion expenses among members".

Over the years, innumerable proposals have been put forward by member states in an effort to accommodate the Security Council's primary authority in matters of peacekeeping, with General Assembly jurisdiction over financial matters. In approving the Secretary-General's report of October 27, the Council accepted the formula that "the costs of the force shall be considered as expenses of the organization to be borne by members in accordance with Article 17, paragraph 2 of the Charter". The wording adopted is very close to that contained in Canada's memorandum to the Special Committee of October 10, 1972.

In its resolution of November 14, 1972, the Fifth Committee decided, as an *ad hoc* arrangement, to request the Secretary-General to establish a special account for UNEF II and a scale of assessment that would place the heaviest burden on permanent members of the Council and, in decreasing proportion, on the economically-developed member states and the economically less-developed member states, the smallest burden to be imposed on a special group of 25 less-economically-developed states.

The resolution also states that these arrangements are "without prejudice to the positions of principle that may be taken by member states in any consideration by the General Assembly of arrangements for the financing of peacekeeping operations".

Precedent set

Nevertheless, two matters are clear: first, that the financing of UNEF II is politically assured and, second, that the overwhelming endorsement of the resolution (108 in favour, three opposed, with one abstention) will constitute a precedent, despite the reservations of some states.

It is evident from the foregoing that UNEF II is, in many respects, different from its predecessors. The ground-rules for Canadian participation are also different. Having only recently withdrawn from the abortive "peacekeeping" or peace-keeping operation of the ICCS in Vietnam, tiring of its participation in UNFICYP, and with the precipitate withdrawal from the Sinai in 1967 still a warning in memory, Canada is back into the peacekeeping business in full measure. The new situation requires Canadian participation.

Many observers have proclaimed the demise of peacekeeping and called for a cautious Canadian policy. Some, including the writer, have persisted in the view that "given the propensity for conflict in the international arena... it is reasonably certain that new operations will be launched.... [Thus] we may anticipate that Canada will offer its concrete support".

Should the latter hold true for the future — and we expect that it will —, then it is important to study UN guidelines for these operations. As a participant, Canada must abide by them; as a member of the Special Committee it has a hand in shaping them. Yet, despite the years of debate on peacekeeping guidelines by the Special Committee, the guidelines were not directly utilized in the creation of the mandate and modalities of UNEF II. Instead, once the Council had decided on a mandate with the exclusion of participation by the permanent members, it was the office of the Under-Secretary-General for Special Political Affairs that, relying on its extensive experience in handling all previous UN peacekeeping operations, produced on 24 hours' notice the report of the Secretary-General on the implementation of Security Council Resolution 340. Therein the essential guidelines for UNEF II were prescribed, modified only as described above, by the logic of events.

The preceding analysis shows that many of the basic and contentious issues on the agenda of the Special Committee found expression in the formulation of UNEF II. The present optimism at the UN suggests that many of these contentious issues have been reconciled or resolved. The Special Committee should therefore reapply itself to its task with renewed vigour.

Committee options

Where should it begin? There is no evidence that the agreed aspects of UNEF II, as related particularly to the role of the Secretary-General, composition and financing, are accepted by each of the parties as precedent. There are, however, several options open to the Committee of 33. First, it could take up once again the tedious task of determining, one by one, the jurisdiction and functions of the Security Council and the Military Staff Committee, a sub-organ of the Council established under Article 29, and could move on to the role of the Secretary-General. This option is unlikely to achieve a final agreement before the next session of the General Assembly in the fall of this year.

*Guidelines
not utilized
in direct way
in creation
of mandate
for UNEF II*

A second option would, in view of the fact that UNEF II was launched independently of the Special Committee, be drawn from the lesson that "ad hoc" is the only workable method of launching new peacekeeping operations. To do so, however, would require the Special Committee to acknowledge failure, something it has refused to do in its nine annual reports to the General Assembly, and with good reason. It is just not politically feasible for the one key committee of the UN charged with the task of formulating guidelines for specific aspects of the maintenance of international peace and security to disappear with a whimper into oblivion.

A third option would be for the committee to adopt a set of broad guiding principles which, as far as possible, accommodate the essential positions already placed before the Committee, and also to enunciate accepted principles derived from UN practice, with particular reference to UNFICYP and UNEF II. Such a course could provide the flexibility between fixed guidelines and "ad hoc" to meet the exigencies of new and unforeseen crises.

Whatever course the committee chooses, it should not fail to conclude its business before the next General Assembly. Member states are not likely to agree to renew its mandate once more without disruptive debate and damage to the so-



Canadian Forces photo

Private W. E. Giljoy, member of the 2nd Battalion, Princess Patricia's Canadian Light Infantry, Winnipeg, is seen on duty outside the Canadian UNEF contingent's headquarters in Camp Chams, Cairo.

recently-refurbished image of United Nations peacekeeping.

The road to Geneva...

... Those who have accepted Resolutions 242 and 338 on the road to Geneva have implicitly agreed to negotiate in good faith on "secure and recognized boundaries" as stated in Resolution 242, and "a just and durable peace", as in Resolution 338

Something can be gained from a closer examination of the term "secure and recognized boundaries". The two adjectives have become inseparable, but they need to be clearly differentiated. Boundaries can be recognized without being secure and they can be secure without being recognized. Moreover, it is much easier to know what recognized boundaries are than what secure boundaries are

Unfortunately, the very term "secure boundaries" lends itself to some misconception. Security in this world is relative, but the term tends to make it appear to be absolute, as if boundaries by themselves can be secure or not secure instead of more or less secure. Surely the 1949 boundaries were more secure from the Israeli point of

view than the 1947 boundaries in the sense that they were easier to defend. The post-1967 boundaries seemed to be easier to defend than the previous ones, and yet they proved to be harder to defend because they lulled the Israelis into a false sense of security. The idea that Israel could have had security after the 1967 war by unilaterally withdrawing to the former boundaries is hardly credible; those were the very boundaries that had brought on the war in the first place

Until now . . . Israel has had neither recognized nor secure boundaries. It may be useful, as a starting-point, to agree on the principle of recognized boundaries before tackling the most difficult question of secure boundaries. If, as heretofore, the Arabs refuse to recognize any boundaries for Israel, there is little point in trying to get them to recognize more secure boundaries. (*From The Road to Geneva by Theodore Draper, Commentary, February 1974*).

Allende and the mythmakers in the wake of Chile's coup

by Paul E. Sigmund

Chile since last year's September 11 *coup* is a study in contrasts. There is the striking difference between the tensions and polarization of the last months of the Allende regime and the apparent calm and renewed sense of purpose of Chile under military rule. There is the contrast between the return to normalcy during the daytime and the repressive and chilling atmosphere during the curfew hours after 11:00 p.m., when shots ring out periodically, helicopters pass overhead and armoured cars patrol streets where only the occasional dog is moving freely. But most vivid of all is the contrast between the view of the Allende experience as propagated in Chile by the military junta and the censored press, radio, and television, and the impression of the Popular Unity Government that has been created by the media outside that country.

The current Chilean portrayal of the former President as an evil and dissolute Marxist revolutionary bent on imposing a totalitarian regime on Chile by a combination of guile and force could not be further removed from the international picture of Salvador Allende as a dedicated social democrat martyred by a fascist military and the forces of international reaction.

Both views are myths created by selecting only certain aspects of the complex patterns of recent Chilean politics in order to support a particular ideological point of view. Both need to be examined and critically evaluated in order to get an accurate picture of Chilean politics since 1970.

Myths of the Right:

Allende was attempting to establish a Marxist totalitarian state in Chile.

In 1970, after Mr. Allende won 36 per cent of the popular vote, fears that he or his supporters might attempt to impose a dictatorship of the proletariat in Chile led the Christian Democrats to demand the adoption of a set of constitutional guaran-

tees of civil and political liberties as the price of their support in the Congressional runoff balloting. The Constitutional Statute of Democratic Guarantees included provisions protecting educational and political pluralism, freedom of speech and of the media, the autonomy and professionalism of the military and religious liberty.

During the Allende regime, private schools and universities continued to receive Government subsidies. The Catholic University television station became a bastion of the Christian Democratic opposition, two-thirds of the radio stations were controlled by critics of the Government and by late 1972 in all the universities except one rectors and governing bodies opposed to the Government had been elected. Six weeks before the September 1973 *coup*, one could find on the same newsstands in downtown Santiago magazines justifying the violent overthrow of the leftist Government and others calling for resistance by soldiers to their rightist military superiors.

Chile under Salvador Allende had a greater range of freedom of expression for political views of all kinds than any other country in the world. It is true that the Allende Government tried to put economic pressure on the only independent paper company, but this was successfully resisted, as was a plan, announced in March 1973, to establish a unified national school system.

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The Allende Government condoned or even supported the use of violence by its supporters.

There is no doubt that the level of political violence was escalated under the Allende Government. Ironically, this was because it was clear from the outset that the Government would not use force to evict those who seized farms, housing or factories, since, after five years of criticizing conservative or reformist governments for causing bloodshed by sending in troops to end such occupations, President Allende was determined not to repeat such incidents in his administration. Besides the seizures, there was also a high level of street violence during the waves of pro- and anti-Government demonstrations in 1972 and 1973. Yet the total number of politically-related deaths during the three years of the Allende regime is surprisingly low. Not more than a half-dozen were killed in street fighting in the entire period and none of these deaths was attributable to police action. The *White Book* published by the military junta after the *coup* lists 96 deaths under the Allende Government. Twenty-two of them took place during the military uprising of June 29, 1973. Only one came from the action of troops against lower class settlers (in August 1972) and Mr. Allende immediately went to the settlement and apologized. By contrast, the official list of those killed on and after the September 11 *coup* is now over 1,000 and unofficial estimates range between 2,000 and 5,000.

The Allende Government violated the law and the constitution.

The opposition-dominated Congress repeatedly impeached members of President Allende's cabinet for violating the law, but the principal charge against them was one of omission — failure to enforce the law against extremists. The *White Book* includes documentary evidence that, as late as August 1973, President Allende insisted on "the need to enforce the Arms Control Law, to detain anyone who is carrying arms, and if he resists to capture and if necessary kill him" (P. 194, Spanish version). On August 22, 1973, the Chilean Chamber of Deputies adopted a "sense of the House" resolution (*acuerdo*) denouncing the use of loopholes in existing legislation to take over industry and agriculture without specific Congressional authorization and listing examples of non-enforcement of the law. The resolution did not cite what later turned out to be the only demonstrable direct violation of the

law carried out with the connivance of the President — the use of Government agencies and large quantities of Government money for the manufacture and importation of arms which were distributed to supporters of the Government. (Right-wing extremists of the Fatherland and Freedom Movement were also arming themselves by smuggling arms into the country.)

The Allende Government had planned to murder the heads of the armed forces and the leaders of the opposition parties.

The most sensational revelation in the *White Book* was a document with the code name of "Plan Zeta", which proposed the "physical elimination" of the generals, admirals, and other high officials at the official presidential luncheon on Army Day (September 19), and the assassination of the army commanders at the annual military parade on the same day. The *White Book* reproduces what appears to be an authentic document outlining the plan but gives no details about it "because it is under investigation and in order not to compromise the security of the persons listed as victims and efforts to identify the assassins" (P. 49, Spanish version). It is not unlikely that such a plan may have been developed by one or another left extremist group, but the *White Book* gives no evidence whatever that it was approved by the Political Command of Popular Unity or by Mr. Allende. The document that it reproduces to prove that Joan Garces, President Allende's close adviser, was a party to the plan only calls for "changes in the Armed Forces and *Caraabineros* (national police) in order to strengthen the constitutionalist sector" (P. 94, Spanish version), a part of a seven point plan produced in early June in anticipation of a "confrontation" in three to four months.

By the end of the Allende regime, Chileans were starving and the economy was in ruins.

The "March of the Empty Pots" in December 1971 first brought to world attention the increasing economic difficulties of the Allende regime. By 1973 it was necessary to wait many hours in line for bread, cooking oil, flour, detergent, sugar, and cigarets and a black market in these and other items was flourishing. Yet other items were available and there was no general shortage of food. Low-income groups were probably living somewhat better than they had earlier, since govern-

Deaths related to politics surprisingly low during tenure of Allende



UPI photo

Chilean armed forces in the coup of September 11, 1973, overthrew the government of President Salvador Allende and installed a junta in its place. In this

picture, Chile's Presidential Palace burns at the height of the bombardment as the building comes under attack.

ment controls kept prices down on many basic items (which also encouraged their diversion into the black market).

In 1973, agricultural production dropped catastrophically and there was an impending crisis in wheat, which only an emergency operation by the U.S.S.R. or the United States could have staved off. The Government budget ran a 53 percent deficit; even larger sums were issued by the Central Bank to subsidize the nationalized industries and the inflation rate for the 12 months before July 31, 1973, was 323 percent. Yet Chileans had had nearly a century to get used to inflation and in the past year wages had been readjusted to take account of price rises in October and in April. The situation would probably have become much worse had the military not intervened but, up to September 1973, the economy was still functioning and no one was starving.

By 1973 the Allende regime had lost the support of the Chilean people. The March congressional elections which showed gains for the Government were based on massive electoral fraud.

In the March 1973 elections the opposition groups received 56 per cent of the vote, and the Allende coalition received 44 per cent. This was a drop from the figure just short of 50 per cent which the Government

won in the municipal elections of 1971, but marked an increase over the 36 per cent Mr. Allende himself had won in the 1970 presidential election.

The real basis for comparison (which neither side used) was the 1969 Congressional election. Using this as a standard, the Left received about 2 percent less than it had in 1969. In July 1973, the rightist-dominated Law Faculty of the Catholic University published a report, included in the *White Book*, which asserted that the pro-Government figure was based on "an electoral fraud of massive proportions" amounting to 200,000 to 300,000 fraudulent votes. A few individual cases of vote fraud were produced, but the major evidence in support of the claim of massive fraud was a statistical analysis that purported to show that the number of newly-registered voters between 1970 and 1973 was abnormally high. The computation, however, neglected to consider the fact that citizens between the ages of 21 and 24 had joined the ranks of potential new voters since 1970. The total number of these potential voters would account almost exactly for the supposed fraudulently-registered new voters.

Only handful of examples of vote fraud were produced

The military coup saved Chile from communism.

Thanks to interviews by the author and

others, it is now possible to determine what the next step in the Chilean drama would have been if the *coup* had not occurred. It is established that President Allende planned to call for a plebiscite in a radio speech at noon on the day of the *coup*, promising to resign as President if the plebiscite was defeated. The decision on a plebiscite ended weeks of near paralysis by President Allende in the face of the mounting crisis and marked a break with the left wing of his coalition, which at a meeting on the preceding Saturday had strongly opposed the proposal. Whether this gesture would have worked, it at least offered the possibility of a peaceful solution to the crisis. The alternative, however, was not a Communist *coup* as long as the military retained the overwhelming force and institutional unity it possessed in September. If the plebiscite tactic had not worked, there seems to be little doubt that there would have been a further escalation of violence and perhaps civil war, since arms were widely distributed on both sides, but the military would clearly have won any such confrontation.

Myths of the Left:

Allende was overthrown by military fascists.

Whatever their conduct since the *coup*, the Chilean military strictly observed constitutional proprieties until mid-1973. In October 1970, the army commander-in-chief was murdered by rightists because of his insistence on the observance of the constitution in the Congressional runoff vote which was about to take place. His successor, General Carlos Prats, supported President Allende and the constitution until his resignation three weeks before the *coup*. The military commanders were members of President Allende's cabinet from November 1972 until March 1973 and again in August 1973, and they put down by force an anti-Allende uprising by a tank regiment at the end of June.

Four developments during the last year of the Allende regime seem to have been decisive in the decision of the military commanders to stage a *coup*: (1) Their own involvement in the Government revealed the extent of the disorganization and irresponsibility of Mr. Allende's Government and the threat which the economic crisis posed for national security; (2) the attempt in March and April to establish a single national school system with indoctrination courses in socialism met with unanimous opposition by the military leaders and reinforced their fears for the future (after they expressed their

objections to President Allende the proposal was "postponed," not dropped) (3) most important, the enforcement of the Arms Control Law in mid-1973 revealed substantial quantities of arms in Government-controlled factories and worker areas. Brazil, Algeria, Ghana, Indonesia and many other examples can be cited to demonstrate that when the Armed Forces feel that their monopoly of force is threatened, they stage a *coup*; (4) their decision to do so seemed to have been accelerated by President Allende's attempts, beginning in early August, to remove commanders whom he considered untrustworthy.

Allende was murdered on September 11.

After first agreeing that her husband had committed suicide, his widow now insists that he died fighting. Interviews to the same effect have been published with a daughter in Cuba and a supposed member of his personal bodyguard now in Mexico. The Chilean junta has published a detailed medical report in support of the suicide theory, but the most persuasive evidence for this writer was confirmation of the fact of suicide in an interview with one of President Allende's closest confidantes who was in the Palace with him. (He did not actually see the suicide but he talked to one of the President's personal physicians shortly thereafter. The physician has also published a detailed account of the circumstances of the suicide.)

Allende was overthrown because the United States Government, private banks and international agencies cut off economic assistance after his election.

The thesis of "the invisible blockade" denounced by President Allende himself at the United Nations in December 1971 is at best an exaggeration. The United States Government made no new loans to Chile under Salvador Allende except for two loans to the Chilean military (which had the full support of the Allende Government). However, "pipeline" aid continued to flow to Chile under existing loan even after Chile had declared a moratorium on all payments of its debts to the United States in November 1971. "Food for Peace" shipments actually increased and, ironically, milk shipments under the program helped President Allende fulfill a campaign promise to distribute free milk to every Chilean child. The Peace Corps also continued to operate, as did technical assistance programs. The International Monetary Fund made two substantial loans to Chile in late 1971 and 1972 to compensate for drops in copper prices. The

Four elements seen decisive in decision of military to stage coup

Inter-American Development Bank made two educational loans in January 1971, but all other loan applications were "under study" until President Allende's overthrow. The World Bank stopped processing a loan at the time of the nationalization of the copper companies, arguing that its long-standing policies opposed loans to countries that did not make compensation for nationalization, and shortly thereafter changed its justification for inaction to an emphasis on Chile's lack of "creditworthiness". The most important economic pressure placed on Chile was the U.S. Export-Import Bank's refusal to guarantee a loan at the time of the copper-nationalization dispute and its subsequent refusal of other loan guarantees on supposed economic grounds.

In his last budget message, President Allende's Finance Minister boasted that the drop in support from the United States had been more than compensated by aid and credits from the "socialist" countries, Western Europe and other Latin American countries. No doubt the credit difficulties created some problems for the Allende Government, especially in the area of spare parts, but it is difficult to see how this played a major role. Policies of unrestrained printing of money and running down foreign reserves were much more significant.

the "people" supported Allende.

As indicated earlier, President Allende never received majority support. Electoral studies indicate that in some areas he received the votes of a majority of males in low-income groups (Chilean men and women vote at separate polling places and the results are published separately). He never received majority support from women (even from the lower class) and he was strongly opposed by middle class, professional and lower-middle-class groups. In the copper-mining area of Chuquibambilla, he did not vote for him in 1970 and a lengthy strike by the El Teniente miners in 1973 was one of the elements contributing to his downfall.

Allende was a democratic socialist.

The European impression that Salvador Allende held views similar to those of European social democrats is in error. Besides being a politician with 35 years of experience in Chilean parliamentary politics, President Allende was also a Marxist and would-be revolutionary. He worshipped Ché Guevara and was a good friend of Cuba's Fidel Castro. He was committed to the use of legal methods in the transition to socialism, but he under-

went arms training himself, died from bullets of an automatic rifle given him by Premier Castro, and took no action to prevent the equipping of a parallel army by the left in preparation for the confrontation which they foresaw as inevitable — as it turned out, a self-fulfilling prophecy.

The obvious democratic solution to the increasing polarization in Chile, as the Communists in his own coalition and at least part of the Christian Democratic Party in the opposition could see, was a centre-left coalition which excluded the extremes of left and right. However this would have meant a break by President Allende with the leadership of his own Socialist Party, many of whom openly called for violent revolution. (It would also have meant for the Christian Democrats a loss of part of their constituency to the right-wing National Party.) Tragically, no effort was made along these lines at the beginning of the Allende administration when it was possible, and only feeble attempts took place later when it was nearly impossible. The result was a breakdown in the democratic *convivencia* that had enabled Chilean constitutional democracy to survive with only two interruptions since 1833, frantic arming by both sides and finally military intervention. As Thomas Hobbes put it: "When no other cards are agreed upon, clubs are trumps."

The military coup of September 11 was thus neither a last-ditch defence against Marxist totalitarianism nor a fascist and reactionary rupture of peaceful democratic institutions. It was rather a nearly — but perhaps not entirely — inevitable result of economic policies and a political stalemate that made majority rule under law almost impossible.

In reaction against the excesses of the Allende regime, the junta has now returned agricultural land and industrial enterprises illegally seized, lifted price controls on all except the most essential items, devalued (and recently revalued) the escudo to a realistic rate, but it has declared Congress and the political parties "in recess". It has also proclaimed a "state of war", which it cites to justify censorship of the press, indefinite detention of most of the leaders of the Allende Government and arrest and imprisonment of real or suspected enemies of the regime.

Meanwhile, the mythmakers on the right and left are busy rewriting recent Chilean history and making it increasingly difficult to arrive at an impartial judgment on the causes of the overthrow of one of the few remaining constitutional democracies in the Third World.

Obvious way to counter polarization was to create coalition of centre, left

Probing the *raison d'être* of a Canadian diplomat abroad

By A. J. Andrew

In recent months, a Canadian diplomat, Andrew Ross, Ambassador in Santiago, has been at the centre of a controversy that touched on the *raison d'être* of a diplomatic representative abroad. The discussion was useful to the extent that it revealed a number of new conceptions of the diplomatic function and some confusing, if flattering, ideas of the position and power a Canadian ambassador holds both in his host country and with his own government.

There have been a number of changes — and the process is still going

on — in the traditional idea that a diplomat was concerned only with relations at the governmental level. While this role continues, many others, formerly regarded as not relevant to his true function, have been added. The following article is an attempt to look at the evolution of the embassy's role and the merging of the functions of consul and trade commissioner with that of diplomat. At the same time, some ideas are presented on the limitations under which the new diplomat must labour in discharging his ever-widening mandate.

Canadian diplomatic missions abroad have three main groups of clients to serve. The first is the Government of Canada, in whose name they operate and which includes virtually the whole gamut of federal departments and agencies. The second includes other levels of government, private business companies and other organizations with foreign contacts.

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The third group are individual private citizens, Canadian and foreign, general as tourists or prospective immigrants.

There was a time when diplomats were concerned exclusively with the full category of business, i.e. government-to-government contacts. Relatively recent and particularly with the increase in the number of state-trading countries, diplomats abroad have been drawn into the business of promoting, if not actually negotiating, sales on behalf of commercial organizations at home. Similarly, many countries, and not exclusively federal countries, find that their missions are frequently used by other levels of government, down to the municipal and local levels, to assist them in conducting specific items of business that may range from encouraging investment to promoting the change of "goodwill" visits. The third function, that of assisting private individuals, is also in some respects a relatively new diplomatic function. The international community has traditionally hived this activity, labelled it "consular" and established different sets of rules respecting the execution of diplomatic and consular duties. The private concerns of a citizen abroad are the normal subjects of consular activities, but the granting of visas to foreigners wishing to enter another country is also frequently regarded as a consular function.

Although the lines drawn between these three types of activity are fuzzy, they can merge quickly and completely in many instances. If it can be shown, for example, that one's own national is being treated in a manner that is substantially different from the manner in which other nationals are treated in the same country or that such treatment falls below minimum acceptable international standards, then this consular question becomes a diplomatic matter and, on grounds of discrimination or as a violation of an existing agreement or of international norms, it can be immediately raised at the government level. Similarly, foreign government regulations frequently impinge upon the financial and commercial activities of Canadian business organizations acting abroad — for example, to apply health standards, to direct investment to certain areas or sectors or to apply anti-dumping legislation. What might in other circumstances have been a simple business contract between two private firms in different countries frequently becomes a matter of governmental concern if it is considered that the regulation is in violation of an international agreement or, again, is discriminatory. It then becomes a matter for diplomatic negotiation at the governmental level. The limiting factors are the attitudes of the two governments concerned. If both agree, any issue can be discussed at the governmental level, and the list is increasing daily and with it the range of subjects the diplomat abroad has to accept as his.

Most Canadian diplomats have learned, either by sad personal experience or by observing similar experiences undergone by colleagues, not only that they cannot confine their activities in strict accordance with priorities based on the original definition of a diplomat's primary responsibility but that there is no clear one other than the tolerance of the receiving state and his own instructions. It is clear beyond doubt that his time and energy must be applied to the promotion of trade and the welfare of travelling compatriots, as well as to other items on his agenda. Indeed, he will frequently find it advisable to defer highly-important government-to-government business if that is the only way he can deal with a distressed citizen sitting in his outer office waiting for help. In short, the jumbo jet and the package tour, as well as state trading and the intervention in the free flow of trade, have made both "commercial" and "consular" matters a regular part of the diplomat's daily activity.

This being so, it should be said immediately that a diplomatic mission is not

established in the way it is, and does not have the legal position that it has, because of its commercial and consular roles. The ambassador occupies his position by virtue of being a representative of a state accredited to a state and his legal position flows from that function, i.e. he must have the protection of immunities and privileges solely to ensure his freedom to conduct his country's business without fear of reprisal or without being subjected to the pressure of disabling problems of living. On the same grounds, he must also have access to the leaders in the receiving state to conduct his own government's business. The diplomat therefore always has the difficult and invidious task of deciding (subject to local rules and instructions from home) to what extent he can use his position and his contacts as a representative of his state to promote the interests of a single group or to look after the welfare of a private citizen in trouble with the local authorities. Obviously, for example, he cannot espouse individual causes as if they were approved government policies. Inevitably his decision, if it is for less than the full use of all available avenues, will be seen as less than totally satisfactory to the party the diplomat is attempting to help.

Local practice and his own instructions apart, the first obvious limitation on the diplomat's all-out espousal of his Canadian client's problems is his knowledge of how the authorities at home would react if a foreign diplomat were to do the same thing in Canada. It is not helpful to tell a foreign government that life for foreigners in Canada is probably much easier than it is for Canadian nationals in their country and that its citizens probably need less help from their representatives in Canada than ours do in their country.

It would be surprising if either the local authorities or the diplomat's own government would agree lightly to confer, in effect, diplomatic status on a citizen in difficulties abroad or use the right of access to, say, the head of state to promote a private business venture. But hard cases make bad law and most of what is called for falls well within the extremes mentioned.

Right of asylum

The matter of diplomatic missions offering asylum has recently been under public discussion as a result of events in Chile. Not surprisingly, arguments have been advanced for the introduction of changes to extend this practice. However, contemporary international law does not recognize a general right of asylum on dip-

Must have access to leaders of host state

Diplomat needs to ask how own government would react in similar case

lomatic premises. Although certain states, notably most of the Latin American republics, recognize among themselves a right of diplomatic asylum, this is only a regional usage, based on local treaty relationships but not sanctioned by general international law. It should be recalled also that the original basis of the doctrine of diplomatic asylum was the supposed extraterritorial status of diplomatic residences and chanceries, a concept which was long ago abandoned. This change is embodied in the 1961 Vienna Convention on Diplomatic Relations, to which Canada is a party. That convention makes diplomatic premises inviolable. It is, nevertheless, accepted in international law that the immunity of these premises is not absolute. Thus, even when asylum is granted for humanitarian reasons, as matters now stand it is not clear that officials of the host state would be debarred from removing from the premises of such a diplomatic mission a person who had been granted asylum but who was wanted by the host state. Although it is true that such measures could only be envisaged as being justifiable in exceptional and urgent circumstances, the existence of this possibility severely limits the granting of asylum and could as a practical matter serve to defeat whatever attempts might be made by an embassy to provide more than temporary safe haven for persons whose life, liberal or physical integrity was threatened.

The Canadian Government, like most governments, instructs its missions that they may give temporary shelter on humanitarian grounds to persons, whatever their nationality, whose lives, liberty or physical integrity are in imminent danger. Within these broad guidelines, the head of mission is on his own. He knows that to continue to maintain a refugee in a diplomatic mission (as the U.S. Legation in Budapest did for Cardinal Mindszenty) could be regarded as an intervention in the domestic affairs of the host country and that this consequently could nullify most, if not all, other aspects of the relationship. On the other hand, the diplomat is well aware that to force a refugee, once admitted, to leave could also raise difficult moral and political questions. Our man, therefore, is obliged to exercise his best judgment on whether a would-be refugee knocking on his door is really in grave danger or is at worst subject to arrest and imprisonment.

The circumstances in which these decisions often have to be made are not the best for cool calculation. The inclination of his conscience apart, the diplomat must first ask himself how Canadian au-

thorities would in the particular circumstances regard the conversion of his mission into a refugee camp. If the answer is that they would probably go along with it, he must then struggle with his own training and belief that his main role in life is to maintain communications with those in authority in the country. He is also very conscious that in the long run even the ultimate safety of the would-be refugee and much else besides could depend on his ability to maintain communication with local authorities. It is little wonder that the average diplomat regards this as an area in which there are no winners.

Protection of communications

Turning again to the three roles of the diplomat, enough has been said to demonstrate that in all three he is only as good as his communications permit him to be and that he would naturally tend to protect them first on the grounds that all else depends on them. In this context, communications would include his access to persons and institutions within the country concerned and his ability to claim the attention of his minister and his colleagues at home and in other parts of the world as well as the physical means of transmitting confidential messages.

Although all Canadians operating in the foreign country may have some claim on the services of the diplomat as communicator, only the Government has an unqualified claim because the system was created and is maintained by all concerned for that purpose.

But the diplomat is not only a communicator. Messages to foreign governments or institutions or even individuals will usually require interpretation, not necessarily linguistically but to ensure that social and cultural differences do not lead to a misunderstanding of the Canadian Government's intentions. Retransmission of communications, which normally include information obtained locally and not otherwise available at home, also requires interpretation to ensure that readers in Ottawa will not come to unwarranted conclusions. But, more than that, the diplomat has an obligation to analyze the facts reported and to make it clear where the line falls between fact and analysis and opinion.

On-the-spot assessment

Here again, particularly in a fast-moving situation, the possibilities of error are great — both in facts and in the analysis of them and yet a government, far removed from where the action is, has a great need to know what the situation looks like

Well aware that forcing a refugee to leave could raise moral, political questions

its man on the spot. It needs both information and an assessment of the significance of the situation in terms of Canadian interests in the area. A diplomat who failed to provide such views would almost certainly be asked to provide them forthwith or explain why they were not forthcoming.

It is virtually automatic for a diplomat to offer his interpretation of an event, fitting the pieces into the general picture and relating the whole to his country's interests. A report that did not include even a tentative view of a developing situation would be seen as abnormal. But our diplomat knows as he writes that his views and recommendations are just that. Governments may be more, or less, influenced by ambassadorial reports depending on a large number of factors, including the ambassador's track record, other information intake and the government's own priority considerations. Under the parliamentary system of government, the responsibility for the decision that emerges from all the factors is exclusively the minister's. The ambassador's responsibility ends with the provision to the best of his ability of frank and objective information, interpretation, analysis and, as appropriate, his recommendation. The quality of his input can only be assessed

by those who must decide what weight to give to it in determining a course of action.

It would be difficult to imagine an alternative system and even more difficult to imagine how the present one could survive if the diplomat felt obliged to provide reports that would stand up under public scrutiny and be found broadly acceptable to all segments of the population. Candour and objectivity would disappear. But what if the ambassador overreaches himself in the advice he gives, steps outside his expertise or offers advice that runs fundamentally counter to his own country's best interests or gives prior consideration to another country over his own? The answer is really very simple. He will lose his leadership, become irrelevant, and eventually become unemployable. But, until this happens, he must not only be able to speak his mind in confidence, he must be required to.

*Doubts system
could survive
if diplomat
obliged
to give reports
that would
be acceptable
to all segments*

Two articles elaborating on aspects of protection for individual Canadians abroad and the question of the right of asylum in missions abroad will appear in the May-June issue of International Perspectives.

Diplomacy is a branch of the art of communications, and it has been said that modern communications have made the traditional diplomat obsolete. Now that foreign ministers may pick up the telephone and speak directly to their foreign counterparts, it is argued that the position of the diplomat is little more than that of the telegraph boy who delivers messages without understanding or caring much about their content.

This "downgrading" of the diplomat is no doubt based on a romantic idea of what his role in life was, and is. The general impression given is that the modern diplomat is being weighed against his nineteenth-century great-power counterpart and found wanting. In fact, the diplomat does not and, for most smaller powers, never did control international affairs; he is, and is, simply a part of the process. The involvement of the diplomat in international communications is such that it is not to think in terms of his power and position, but of the position he occupies in an elaborate near-universal system of

multidimensional communication.

There was a time when all that governments knew about other governments and their activities was what they heard from diplomats, supplemented occasionally by reports by travellers and journalists whose standard of accuracy left much to be desired. Consequently, diplomats were in a position to exercise a great deal of influence through their reports home and through their foreign contacts. This virtually total dependency on diplomats has ended. Other people have been there, probably including the foreign minister, and diplomatic reports are now subject to tests and comparisons with those made by others who may well be more expert in any given field than the diplomat. . . . The diplomat's job is to interpret and apply his judgment to what is happening and to relate events to his government's known interests. (*From Defence by Other Means: Diplomacy for the Underdog by Arthur Andrew, Canadian Institute of International Affairs, Toronto 1970*).

Alliance's future political role still keyed to defence function

By John Carson

The last great chronological milestone for the North Atlantic Treaty Organization was April 1969 — its twentieth birthday. The spring of that year was a time of hope and confidence in the future of the Alliance. It was an event that seemed to mark the end of an era of defence in strength, of a unified Atlantic Alliance, perhaps of confidence in its ability to respond flexibly to any crisis. It was the beginning of an era when NATO would become an instrument of *détente* — at the same time defender of the West and an active searcher for a stable peace with the East.

The ministerial meetings marking the twentieth birthday of the Alliance were held in Washington and were addressed by President Richard Nixon. The strategy of massive retaliation had long since passed and the Washington meeting brought together a number of allies who were hopeful about the possibility of long-term solutions available through the process of *détente*, certain only of the fact that the military balance between East and West would never again be overwhelmingly in favour of the West. In the final communiqué of the April 1969 meeting, the ministers admitted that, although the Soviet intervention in Czechoslovakia the previous year had been a "... serious setback to hopes for improvement in East-West relations", the political goals of the Alliance were still "secure, peaceful and mutually beneficial relations between East and West".

In the spring of 1969, the problem of European security no longer seemed to be the stuff of which crises were made, solvable given time and the willingness of the Soviet Government to negotiate apparently almost any issue. The feeling of confidence in the developing *détente* was so strong that, following a proposal by President Nixon, the ministers instructed the NATO Council in permanent session to consider ways of expediting and coordinating the exchange of methods for improving the environment. NATO as a defensive military alliance was no longer to be the message; the Alliance was to be seen as a political instrument and, indeed, one cognizant of the problems associated with pollution.

The year 1969 was a very vital one for the Alliance. While not participating directly, the allies of the United States were witnesses to the beginnings of bilateral Strategic Arms Limitation Talks (SALT), a series of negotiations whose first phase ended with an agreement that has had a not inconsiderable impact on NATO strategy and a promise of even greater changes after the second round of talks, SALT II, at present under way. At the end of April 1969, Charles de Gaulle resigned the presidency of France, an event somewhat greater in promise than in effect for the Alliance. Later in the year the Federal Republic of Germany began to move into a position of considerably more significance within the Alliance following Willy Brandt's election as Chancellor. Before the year was out, the West German Government gave a hint of the shape of things to come by signing the Nuclear Non-Proliferation Treaty. Throughout the year (after a pause of only four months following the invasion of Czechoslovakia), discussions were underway between the West German and Soviet Governments on the question of initiating bilateral relations.

The Canadian Government also contributed during 1969 to a sense of change within the Alliance by announcing si



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Canadian Forces photo

Canadian ships of the Standing Naval Force Atlantic on NATO operations in the Atlantic are pictured. HMCS Protecteur, an operational support ship (centre), is

refuelling an American frigate (right), in company with the Canadian helicopter destroyer Margaree.

tant force reductions. In September, plans were announced to reduce within one year the Canadian forces in Europe from 10,000 to 5,000. This followed the announcement by Prime Minister Pierre Trudeau in April, as part of a statement on Canadian defence policy, that the Canadian Government, in consultation with its allies, intended to begin a phased reduction of its forces in Europe during 1970. At the same time, domestic attitudes in the United States, coupled with the stance of a more critical Congress, brought pressure to bear for a reduction in U.S. troop commitment to Europe. Simultaneously, partly as a result of the Canadian Government's action and of fear of the possibility of similar action in the future by the U.S. Government, the defence ministers of allied governments of Western Europe (the Eurogroup) began to consider in an organized fashion the possibilities of united arrangements for defence. Patterns for the future were being established.

This year the North Atlantic Treaty Organization has reached its quarter-century. There will be no major celebration at the Alliance's Brussels headquarters and, at the date of writing, the time and place of the next regular ministerial meetings had not been established. The continuing pressure of domestic problems, of individual national objectives and priorities, of bilateral negotiations with the Soviet Government by certain members of the Alliance, balance-of-payment deficits

and successive international monetary crises — all compounded to some extent by mutual misunderstanding — have brought the North Atlantic Alliance to a confused and hesitant position. The period of *détente* has produced an uncertain feeling of relaxation in East-West tensions in Europe while endangering the effective operation of the politico-military organization. Though few would have envied either General Lauris Norstad or General Lyman Lemnitzer his position as Supreme Allied Commander Europe (SACEUR), certainly no one envied General Andrew Goodpaster who, coincidentally, succeeded General Lemnitzer on July 1, 1969.

In each of the 15 nations of the Alliance, NATO is criticized as being unnecessary or ineffective or the tool of the United States, and sometimes all of these things; there is nothing novel in these criticisms except for the greater number of people who make them. More damaging to NATO, and to the Alliance as a whole, is the indifference of most people to its condition or even to the fact that NATO continues to function at all. Indifference is particularly prevalent among the smaller nations.

Legacy of Harmel Report

But, apart from public indifference and the public's general ignorance of the purposes and structure of NATO (all of which the NATO Information Service was designed to concern itself with), NATO is

Indifference more damaging than criticism of Alliance

*Harmel Report
established
sense of security
underpinning
the posture
of détente*

faced with a remarkable range of problems, some of which were not envisaged five years ago. These problems can be divided roughly into political and military, although there is, of course, an inevitable overlap in a politico-military organization. The political problems are for the most part immediate and will require substantial efforts and a clearly-demonstrated concern to resolve them.

The difficulties that have been the subtlest and least amenable to resolution arose from the objectives of the Alliance as expressed in the Harmel Report of 1967, *The Future Tasks of the Alliance*. By emphasizing the organization's second or "political" function — "the search for progress toward a more stable relationship in which the underlying political issues can be solved" — over NATO's first function, that of maintaining "adequate military strength and political solidarity to deter aggression and other forms of pressure", the Harmel Report established in a formal way the sense of security to be found in a posture of *détente*. It has plagued the organization ever since.

The maintaining of defensive strength while encouraging *détente* has been a struggle in which NATO and its militarily strongest members have, by and large, lost. The Harmel Report emphasized that the Allies had been studying disarmament, arms-control methods and "the possibility of balanced force reductions". In June 1968, the ministers, meeting at Reykjavik, issued an addendum to their final communiqué — a declaration on mutual and balanced force reductions. The apparent commitment to "balanced" force reductions by the West was a response to the Soviet Union's invitation, made two years earlier, to a general European Security Conference and an attempt to link the security of (essentially Central) Europe to a mutual and balanced withdrawal of military forces.

For the NATO allies, participation in such a security conference would imply a *de facto* recognition of the division of Europe into two distinct camps; the West was not then prepared to accept the borders of East Germany; a security conference would have involved acceptance of two distinct Germanies. On the other hand, the Western allies were sensitive to the attitudes of their public, a public that continued to favour a reduction of defence expenditures on European security and regarded such issues as historical. Force reductions appeared to be inevitable, and so the pressure was on to encourage the East to negotiate a similar, and, it was hoped, a balanced reduction in arms before

the Alliance was obliged to undertake unilateral reductions. One factor in the continuing (and developing) considerations during the 1966 to 1970 period was that NATO itself was considered to be a single spokesman for the 15 allies; in effect NATO was pushed to the front and, in another sense, into the middle at the same time because there have always been marked differences in the attitudes and policies of each of the Alliance member states, particularly those that maintain forces on the Central European front. The position of the Warsaw Treaty Organization was, by comparison, a simple one: a spokesman for the foreign policy of the Soviet Union.

The successes of the foreign policy of *Ostpolitik* by the West German Government after 1969 laid the foundations for the recognition by NATO (in particular the United States) of the political and geographic reality of the German Democratic Republic (East Germany). The existence of that entity having been accepted, the major barrier to agreement on participation in a general European security conference with the representatives of East Germany present was removed. At the same time, the Soviet Government indicated its readiness to discuss some form of troop reduction, thereby making NATO's acceptance of a security conference somewhat easier. By the spring of 1972, both a security conference and a negotiation of force reductions seemed to be certain, and NATO began to consider its bargaining position. However, when the talks preparatory to the Conference on Security and Co-operation in Europe (CSCE) finally began in Helsinki in November 1972, it appeared that the Soviet Union had already "won the first round"; force reductions were to be the subject of a separate conference and were not to be on the agenda of the security conference (removing an essential bargaining point from the "armoury" of NATO countries), and the West had already extended recognition to East Germany. NATO had been moved into an exposed position; it could be argued, and was, that its existence necessarily threatened a sense of security in Europe and prevented much co-operation. In the move toward achievement of its second function, NATO's ability to carry out its primary function had suffered. Criticism of the functions and the need for the Alliance's existence continued.

Military force levels

A more easily identifiable problem for NATO continues to be the need to maintain

tain an effective and demonstrably efficient military force in the field. *Détente* brought pressure on both the Canadian and American Governments to review their troop commitments to Europe. The Canadian decision of 1969 was not only a response to the apparently changed conditions between East and West but represented a signal of the Government's intention to focus its resources and energy on national issues (meaning internal issues). The American Government was simultaneously concerned with domestic problems and issues and was searching for a method of reducing its enormous commitment in Southeast Asia. Members of Congress who were opposed to the Vietnam war were encouraged by the growing disillusionment of the American public to press for a general reduction in the size of the standing army, a development that would have necessitated a withdrawal of troops from Europe. However, President Nixon avoided any significant reduction of troop levels in Germany and did not follow the Canadian example as the British and West German Governments had feared. Throughout the period (since 1969), the forces of the Warsaw Treaty Organization continued to expand and improve the quality of their weapons.

NATO's strategy of flexible response, adopted in 1967, implies an intention not to use nuclear weapons strategically immediately after the initiation of hostile acts by enemy forces; further, it implies that there will be a readiness to use low-yield nuclear weapons tactically — Tactical Nuclear Weapons (TNW) — either to influence the enemy's will or to achieve military advantages. TNW clearly requires a substantial presence of conventional forces; neither opposing organization would wish to commence military action with nuclear weapons, and both need a certain period of short-gain conventional warfare to provide time for political consultations to take place. For the NATO countries in general, and for the Military Committee and SACEUR in particular, the Warsaw Treaty Organization's larger forces and unified weapons system, together with the shortness of its supply-



Canadian Forces photo

Tank crew, part of Canada's troop commitment to NATO forces in West Germany, is pictured on manoeuvres through streets of German town.

lines from bases in the Soviet Union, have provided continuing cause for alarm. In addition to the West's inferiority in forces and weaponry and the vastness of the area that must be defended, differences exist among the allies, particularly the United States and West Germany, about the appropriate timing for the use of TNWs in a battle situation. There is, in sum, reason to question the credibility of "flexible response". The ability of the forces of NATO to respond effectively in the role which is its *raison d'être* at a time when NATO is at its most useful politically should be without question, but ironically that effectiveness continues to decline.

Although military capability and the effectiveness of Alliance strategy are apparently a permanent cause for concern, the political-economic policies of the members on both sides of the Atlantic have raised serious doubts about the ability of the organization to serve as a unifying and co-ordinating force.

Eurogroup-U.S. 'drift'

The move towards the formation of the informal Eurogroup by a British Defence Secretary, Labor's Denis Healey, marked the beginning of the process whereby Britain's interests in European security have moved closer to those of France and West Germany and away from those of the United States. This change has been hastened and made more tangible by the necessarily bilateral nature of SALT; by the enlargement of the European Com-

Reason seen to question the credibility of strategy involving 'flexible response'

Comparative size of forces — North Atlantic Treaty Organization and Warsaw Treaty Organization (abstracted from *The Military Balance 1973/74*, International Institute for Strategic Studies, London):

	NATO	WTO
Ground forces	777,000	871,000
Tanks	6,755	13,800
Tactical aircraft	1,720	2,770

*Alliance states
not consulted
on U.S. order
for forces alert*

munity to include Britain; by the "drifting apart" of the United States from Western Europe caused by the gradual weakening of the dollar and the American preoccupation with Asia and its own internal problems, at least until the beginning of 1973; and, most recently, and most dangerously, by the actions of the United States Government last October. U.S. armed forces around the world, including those on duty in Europe with NATO, were ordered to move to alert status. NATO's Military Committee was not informed prior to the order and the Alliance members were not consulted. Of the allies, only Portugal allowed supply planes of the U.S. Air Force *en route* to Israel to overfly or land on its territory. Relations between the United States and its Western European allies rapidly descended to their nadir. Dr. Henry Kissinger's "Year of Europe", discouragingly keyed by the suggestion of a new Atlantic Charter, ended with the Alliance in some disarray. Fortunately, the Alliance continued to function, bureaucratized and entrenched in Brussels, facing the spectre of public indifference and the frequently divergent objectives of its members.

NATO continues to be the most useful international forum for exchanging and discussing the opinions of its various members. The Alliance still obliges Canada and the United States to take an active role in Western European affairs and

works against the incipient insularity of the European Nine. The organization provides a window into the mutual affairs of North America and the European Community for other nations such as Greece and Turkey and, in another way, allows some members the opportunity for indicating their disapproval of the internal policies of others for which the Alliance as a whole is often criticized.

The twenty-fifth anniversary should be a proud milestone for NATO. The East-West negotiations, which will continue in Geneva and Vienna and Helsinki, may eventually bring about tremendous changes for the organization as it is currently structured, but these changes are still distant and unstructured. The fact that such negotiations are possible and in progress is due in no small part to the use of NATO as a political instrument. However, the future of that political instrument will depend directly on its ability to be seen to be able to carry out its primary function: armed defence. The members of NATO must not fall into the trap of contributing to a somewhat elusive *détente* by unilaterally disarming their Alliance; the organization is too valuable to suffer such a careless destruction.

Two further articles dealing with NATO's role in the fields of defence and diplomacy will be published in the July-August issue of International Perspectives.

... Three reasons are put forward for thinking that the Soviet Union will not use its conventional strength against Western Europe: first, the emergence of new military/industrial powers on Russia's Eastern frontiers; second, the growing Soviet stake in economic co-operation with Western Europe; and third, the danger of nuclear conflagration.

These are powerful constraints which cannot but influence Russian policy. But they are not — yet — enough to reassure Western Europeans that the imbalance in conventional forces does not matter. The growth of Japan and China, while it will certainly affect Soviet military planning, has not led to any reductions in Soviet force deployments against Western Europe. ...

The Soviet stake in economic co-operation with Western Europe has undoubtedly increased and will probably continue to do so. But two qualifications need to be stressed here. First, the entire foreign trade of the Soviet Union amounts

to only 6-7 per cent of its GNP. Its trade with the developed West as a whole amounts, in a normal year, to only a fifth of this. ... It seems fair to say that Western Europe ... has at least as much to fear as the Soviet Union from any disruption of East-West economic relations.

In the "radically different strategic conditions" of the 1970s, fear of nuclear war is at least as serious a constraint on the United States as on the Soviet Union. We cannot assume that the American nuclear umbrella guarantees Europe against every type of military pressure of which the Soviet leaders are, hypothetically, capable. ...

The constraints on the Soviet Union should not, therefore, be exaggerated or regarded as necessarily permanent. Even if they are at present stronger than I have given them credit for, we cannot assume that they will remain so. ... (From *The Future Security of Western Europe* by Sir Denis Greenhill, International Affairs, January 1974).

The Law of the Sea conference: a bid to resolve contradictions

By René-Jean Dupuy

The United Nations General Assembly decided in 1970 to hold the Third UN Law of the Sea Conference in 1973, and entrusted the Seabed Committee with its preparations. From 1971 to 1973, the committee met twice a year and undertook its review of all the main issues relating to this area of the law, including those issues that had been left unresolved following the previous two Law of the Sea Conferences in 1958 and 1960.

The conference held a first session in New York from December 3 to 14, 1973, in order to settle a number of organizational and procedural questions: election of the chairman and the other members of the Bureau; setting-up of committees of the whole and of a drafting committee; and adoption of the rules of procedure. It was in the course of the inaugural session that the Canadian delegate, Ambassador J. A. Beesley, was elected to fill the important post of chairman of the drafting committee.

The next session of the conference will be held in Caracas, Venezuela, from

June 20 to August 29, 1974. During the first week of the Caracas session, the conference will conclude its examination of the rules of procedure, which it began but did not complete at its inaugural session. Then the conference will take up the many substantive issues in three committees of the whole. A first committee will devise a legal regime for the international seabed area and will determine the powers and functions of the International Seabed Authority. The second committee will concentrate on the more traditional issues of the Law of the Sea, such as the territorial sea, the Continental Shelf, high seas, fisheries, archipelagos, straits, innocent passage and islands. The subjects of scientific research on the oceans and preservation of the marine environment will be taken up in the third committee.

If the delegates are unable to conclude a comprehensive and viable agreement on the Law of the Sea by the end of the Caracas session, the conference will meet again at a further session — probably in Vienna in 1975.

The Law of the Sea has developed over the centuries around the idea of the freedom of navigation, and the aura surrounding the term has tended to conceal the expansion of maritime empires that it has made possible. The idea of free communication between peoples, replete with visions of great ships opening the way to contacts between distant lands, justified offering the sea-lanes to all, even though, as a matter of historical fact, only the great maritime powers were in a position to make use of them. The freedom of the seas was analogous to the freedom of labour in the industrialized countries of Europe during the nineteenth century — it sanctioned the right of the rich to enjoy and the right of the poor to submit.

It was necessary to wait until the great egalitarian movement sweeping the world reached out to embrace the Law of

the Sea and question its fundamental assumptions. That this did not happen earlier is due entirely to the fact that marine techniques have been very slow to evolve. Since the occurrence of the technological breakthroughs that have made possible an enormous diversification in the use of the marine environment and the exploitation of its resources, we have experienced a number of developments on the part of the maritime powers as well as the developing countries that have overturned traditional practices and the law governing them. Whereas the sea was formerly merely a theatre for political and military competition, the economic implications of which were limited to the role of navigation in providing access to the wealth of the land-masses and were therefore of secondary importance, it has today become the scene of a greedy scramble for

the resources of the waters as well as of the seabed.

Two great conflicting principles have clashed as a result of demands that the seas and oceans be subjected to a new legal framework in accordance with the economic goals of states. Littoral states have tended to extend their occupation of marine zones beyond horizons that only yesterday seemed fantastic. The desire to transform the marine environment into an international public domain for the equal benefit of all peoples is leading to demands for collective management, based on the idea of mankind's common heritage.

Truman proclamation

The appropriation movement began with the Truman proclamation of 1945 concerning the continental shelf, prompted by American fears of a shortage of hydrocarbons. It should occasion no surprise that this claim by the world's foremost industrial power was followed immediately by the claims of the developing nations, beginning with the countries of Latin America, whose Atlantic coast is bordered by vast shelves. Since then, the chorus of appropriation claims has swelled uninterrupted; beginning with the seabed and its subsoil, it has grown to include the waters above the seabed up to a distance of 200 miles from the coasts. Off the western coast of the continent, it has been extended for the same distance over waters lacking a continental shelf but rich in biological resources.

Without sanctioning these latter claims, the Geneva Convention of 1958 placed the continental shelf within a simple and coherent legal framework and was thereby able to control the appetite for appropriation for a decade, at least as far as the seabed was concerned.

This impression seems to have been strengthened by the advent of an opposite development following the adoption by the United Nations General Assembly of the Pardo Proposal in 1967. This designated the seabed and its subsoil, beyond the zone of national jurisdiction, as the common heritage of mankind, and as such reserved for peaceful uses in the interests of the community of nations, whether they possessed a coastline or not, and especially for the benefit of the developing countries. Resolution 2750 (XXV) of December 17, 1970, by which the General Assembly agreed to preparations for a conference planned originally for 1973 for the purpose of revising the Law of the Sea, demonstrates the growing awareness of the need not merely for reform but also for legislation concerning new fields of international

law. The declaration of principle of December 17, 1970, defines the basic characteristics of this future system (as far as the seabed is concerned), based on the exclusion of all sovereign and proprietary rights over the seabed.

Although the states of the Third World applauded this revolutionary development, with its intention of creating international machinery to regulate — in the final analysis, to their advantage — the resources of the seabed and its subsoil, many of them wished to extend their unilateral jurisdiction. Naturally the proclamation of mankind's common heritage prompted a renewal of the appropriation movement with regard to the seabed as well as the waters.

In the case of the former, encouragement was provided by legal uncertainties. Because of the duality of the frequently denounced criteria in Article One of the 1958 Convention, there was no precise definition of the continental shelf. While waiting for the 1973 conference to put an end to this ambiguity, it was tempting for some countries to claim for themselves, in the name of the notion of exploitability, submarine territory beyond a depth of 200 metres.

Plundering fleets

It is difficult to see how certain states, faced with development needs, will fail to combine this territorial appropriation with claims on epicontinental waters, when the latter provide rich fishing-grounds for powerful foreign fleets. Without even touching the shore, these fleets plunder vast areas for months at a time with no benefit to the littoral states and no limit to the catch except those placed on the rapacity by the destruction of the species. The principle, proclaimed by the United Nations, of the sovereignty of states over their natural resources provides the foundation for this response on the part of the littoral states, despite the fact that the problem of determining how far their rights extend remains unsolved. The principle of contiguity holds promise for the development, which they intend to realize.

Unparalleled discord prevails, therefore, concerning the seas and oceans, with the maritime powers invoking their traditional freedom and the principle of agreement as the basis of international law, and the coastal states claiming their rights to development and the necessity of protecting living species and respecting the ecological balance, a concern that justifies the unilateral proclamation of their jurisdiction. It appears, however, that there is no need for despair in the face of these di-

*Seabed, subsoil
designated
as heritage
of mankind*

agreements. As in all eras of turmoil caused by the advent of new or amplified technological and economic factors, the contradictions are aggravated, but it is possible to discern the principles of dialectical tension which produce them. Four can be identified:

- the Law of the Sea was one-dimensional and is becoming multi-dimensional;

- until recently essentially a law of movement, it is tending increasingly to become a law of occupation;

- traditionally a law of predominantly personal nature in which the conception of sovereignty received little emphasis, it also appears today as a territorial law, with the legal consequences implied by this jurisdiction;

- traditionally a law universal in nature and applicability, it now gives increasing sanction to the demands of regional situations.

These four principles should be understood, as always in a dialectical analysis, as reflecting not substitution phenomena but sources of tension. In each principle, the second term of the alternative does not replace the first — it simply confronts it, obliging it to take it into account, without accomplishing its destruction.

Change from one-dimensional

The classical Law of the Sea had only one dimension — essentially it was a law of surface navigation, hardly recognizing the submarine environment. Vessels of war moving through this environment were not, under the laws of war, restrained except for activities with regard to surface vessels; nor were they restrained in time of peace provided they used territorial waters for surface navigation only, thus benefiting from the presumption of innocent passage.

Questions of jurisdiction over the seabed assumed a theoretical character, owing to the lack of technical possibilities for deriving any important economic use from it. In this regard a reference to Gilbert Gidel's book *La mer territoriale* is enlightening. He examines the problem of sedentary fisheries on the high seas with admitted embarrassment, holding that the freedom of the high seas and sedentary fisheries are not compatible as concepts of the same value and importance". He concludes that they cannot be considered otherwise than as an exception to the rule, which implies that, in case of doubt, the latter must prevail.

Likewise, according to Gidel, it is because "any activity performed on the bed of the high seas entails a necessary effect, which may be more or less severe

but is in any case inevitable, on the utilization of the high seas", that he establishes the rule that activities on the subsoil of the seabed are only licit on the condition that they "entail no appreciable effect, actual or probable, on the seabed". For the same reason he considers as illicit all activities on the subsoil that do not extend out from land under the jurisdiction of the state performing them, with the exception of those initiated in superjacent waters and on the bed of the high seas. Gidel uses these principles as criteria for his discussion of the Channel Tunnel project.

All legal reasoning concerning the seabed, its subsoil or the waters was consequently dominated by the essential primacy of surface considerations.

Continental Shelf Convention

Today, by contrast, international law has taken cognizance of its multi-dimensional character. It embarked upon this path with the Continental Shelf Convention, admittedly following a traditionalist approach based on recognition of the sovereign rights of littoral states, which was a way of extending to the shelf the fundamental reasoning of the law of the territorial sea — namely, that states may utilize the seabed as soon as they have established their sovereignty, the only condition being the obligation to respect innocent surface navigation.

With the advent of the capability to exploit the seabed, the point has been reached where the law is moving away not only from the conception of the sovereignty of the littoral state but also from any idea of appropriation of a domain henceforth designated as the common heritage of mankind. This is why, among American experts, the terms "sea" and "ocean" are tending to be replaced by "ocean space", with its much broader range of implications.

Man's progressive appropriation of the seabed, which has acquired the value of a discovery comparable to that of an unknown continent, has thus restored to the marine environment its dimensional

All reasoning in legal area dominated by primacy of surface considerations

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totality. At the same time, its fundamental unity has been re-established, which Gidel rightly perceived but which he placed within the ambit of the surface, whereas present conditions lead us to apply to the latter the law of the seabed and superjacent waters. Ocean space is becoming invested with a law for each of its elements, with none predominating. If, for the moment, the surface and the principle of freedom prevailing there still retain their predominance on the theoretical level, they cannot help but be affected by the law applying in other spheres.

This fact is particularly evident in the fight against pollution. The ecological interdependence of the seabed and the surface dooms from the outset any action limited to one level of the marine environment. In fact, negotiations are in progress towards a treaty regulating the transportation and discharge of waste on the high seas. The same need for action on both the vertical and horizontal planes is apparent for other forms of pollution, such as that originating on the seabed as a result of leaks from oil-wells.

Surface and seabed interaction

From now on both surface navigation and the exploitation of the seabed will have to be subject to specific and complementary regulations.

The interaction of these problems is recognized both in the movement on the part of coastal states to extend their jurisdiction and in that which advocates the establishment of an international statute.

As far as the former is concerned, we have already noticed, within the framework of the Geneva Convention, that, despite the proclamation respecting the freedom of navigation, the regulations for the Continental Shelf have already resulted in certain modifications of this freedom. The dialectic of seabed and surface is, however, most apparent in the claims of littoral states, especially those of the developing nations. Whereas the Truman proclamation was content to extend the jurisdiction of the United States over the shelf while preserving the character as high seas of the superjacent waters, Argentina's proclamation of October 11, 1946, laid claim to everything. Other Latin American states, such as Brazil, Uruguay, El Salvador and Nicaragua, have followed suit, claiming a 200-mile limit. Admittedly these countries still recognize the freedom of navigation and overflight, but they intend to reserve for themselves the biological resources as well as those of the seabed and subsoil. They do not understand why

their rights should be recognized in the first case but not in the second.

If we consider the zone envisaged for international supervision, the limits of which have yet to be defined, the situation is comparable. The international authority that would be responsible should have jurisdiction at the surface, for the purpose of protecting biological resources, above and below the surface, in order to verify the propriety of seabed operations.

Here the tension between the traditional law and the one that is tending to replace it comes sharply into focus. The law of the freedom of the high seas, the validity of which is still proclaimed, must come to terms with the marine utilization of growing importance impinging upon it.

The Law of the Sea is thus undergoing a dimensional diversification commensurate with the law's concerns.

The sea is an artery of communication; it has been studied under this aspect by students of geopolitics such as Siegfried. Wars were fought to sever the sea routes; fundamental policies were formulated for their defence. The Law of the Sea was conceived of logically as intended to regulate activities involving movement. Today it is taking on the additional aspect of a law that presupposes the establishment of installations.

At all times the sea has fulfilled two roles — as an artery of navigation and as a reservoir of resources. However, since the latter role primarily involved living resources, fishing was regarded as one of the twin purposes of navigation, the other being transportation.

The pre-eminent importance of transportation has not diminished, but it should be emphasized that this activity concerns the wealth of the land, not the wealth of the sea. The sea's value is thus solely dependent on the artery it provides for connections between land-masses. Vittorio has stated succinctly the connection between the idea of non-appropriation and common jurisdiction over the sea, which is one aspect of the idea of freedom, and the law of communication:

Common dominion dates from man's very beginnings. Since originally there was no other law and everything belonged to all, freedom of communication was also a reality. Later, men settled in different parts of the earth: some of the things which had in the beginning been common were appropriated, but the transformation was not total. Sedentary life could not appropriate those things which, by nature and by distinctness, were common. Among those things which remained common in the course of the evolution which man underwent in his relations with his fellow must be included the right to establish mutual communications.

Fisheries were established prima

in coastal waters, well provided for and protected by the law of the territorial sea. Deep-sea fishing remained an adventure, in peril of the sea, a hunt for migratory species. Of course, in some seas of relatively limited size and frequented by fishermen of various flags, such as the North Sea, certain problems of competition arose in the "fishing-grounds", a term that in itself implies a degree of establishment. But the conventions that attempted to resolve them appeared as exceptions to the principle of freedom.

Bertrand de Jouvenel has shown admirably in a 1972 report to the International Ocean Institute that the economic exploitation of the sea has remained to our own day an enterprise of individuals whose living habits are nomadic. He reminds us that these men have always played a dual role with respect to their sedentary fellows — as seamen and merchants and as pillagers and conquerors. Under the latter aspect, the men of the twentieth century have retained "the customs of the hunting tribes of the fourth millennium before Christ", indulging in the hunt and not in farming the living species of the sea, which, despite the fact that it covers 71 per cent of the area of the globe, nevertheless provides a mere 2 per cent of man's food-supply. The primitive methods by which this supply is procured are, despite the modest size of the catch, destroying the biological resources without thought being given to rational methods of harvesting them.

Law of movement

These observations, made from an economic standpoint, may be appropriately transposed into the field of jurisprudence, where they illustrate the nature of the Law of the Sea as a law of movement. The nomadic character of the Law's subjects offers an adequate explanation of maritime law, the law of shippers, as well as the important place accorded in the classic manuals to the pirate — the day's sail and made as an important aspect of the law of war at sea.

It is, therefore, natural that the maritime powers should constitute the principal, if not the exclusive, users of a Law of the Sea, the essential norms of which are only of interest to those with the effective capability for long-distance navigation.

By contrast, this law was of considerably less interest to littoral states lacking significant fleets, whose fisheries were confined to coastal waters. In most cases, this was sufficient for their needs, and the presence of foreign fishermen three miles off

their coasts was of peripheral importance, in view of the prevailing belief in the inexhaustibility of the sea's resources. Objections to this freedom arose only for specific reasons, stemming from the utilization of the coastline or the vital importance of fisheries in the national economy. It is ironic that Selden's thesis of the "closed sea" was formulated to protect British fishermen at a time when England had not yet become a maritime power.

The growth of England's fleets provided a new and opposite direction, not only for London's policy but for the Law of the Sea in general, giving it — after the event — the not inaccurate complexion of having been established by the great powers, a charge levelled by the developing countries today. There was, of course, no alternative, since the precedents were set by the behaviour of the principal users.

Freedom of navigation

Henceforth the entire body of the Law of the Sea was built up around the idea of freedom of navigation — in other words, freedom of movement over the oceans. Here we find the explanation for the right of innocent passage, in which a foreign vessel may benefit from the presumption of innocence in territorial waters only so long as it does not stop. If it does, it becomes suspect. In the same vein, the rules regarding pursuit in consequence of an infringement of the laws of the littoral state on board a ship bound for the high seas have been flexible so as not to interfere with navigation, the cost of which rises with every unforeseen stoppage.

The practices of maritime jurisprudence have always been governed by concern not to interfere with navigation. One need only remember the excitement caused by the arrest of the *Lotus*, which ran the risk of leading to precisely this result. The same also holds true for the laws governing straits forming a route between two parts of the high seas or providing access to them and the responsibilities incurred by reason of unwarranted seizure.

It is quite evident that these rules are not doomed to disappear in the present-day world, since maritime transportation shows no signs of ceasing to grow in volume. We must, however, realize that sea powers will have to reconcile themselves to the limits placed increasingly on the principle of freedom, their traditional foundation, by the advent of new practices implying occupation rather than movement.

The Law of the Sea will henceforth have to govern activities taking place at a given point on the surface, on the seabed

Sea powers must recognize need for curb on principle of freedom

or in the waters above and arbitrate the resultant implications for navigation.

Deep-sea fisheries

Large-scale deep-sea fisheries have endowed the conception of dominion over fishing-grounds with a significance hitherto undreamed of. At the present moment, in certain areas of the North Sea, English and French fishermen are unable to offer resistance to the appearance of a massive Soviet fleet and are forced to retreat before it, returning only to find the area "fished-out" after the departure of the invaders. (The Soviet Union accounts for 49 per cent of the world's fishing vessels over 100 tons gross weight, according to de Jouvenel).

Even when the competition between them is not so intense, substantial fleets establish operations on fishing-grounds situated beyond the traditional three- or six-mile limits of coastal states and remain there for several months, not only bringing no benefit to the latter, since they never land, but endangering the conservation of species they fish and catch without restraint of any kind. It is, therefore, understandable that when, as is often the case, famine strikes in the adjacent countries, the latter have the feeling of being plundered, even though the act takes place on the high sea, the proximity of which seems to hold out promises for their development.

They are not unaware, to be sure, of their own technical deficiencies and their incapacity for exploiting them themselves. Consequently, their claims, inspired by economic and social considerations, are primarily legal in nature, insisting on their competence to legislate over zones adjacent to their territorial waters and to organize rational exploitation of living resources, rather than being based on monopoly or preferential fishing rights for their nationals.

Promise of mariculture

In addition, *mariculture*, which also involves a degree of localized occupation, holds out a good deal of promise for them. This can, of course, be carried out on the area of the Continental Shelf over which these countries claim jurisdiction, and this, even if restricted to its uncontested limits — up to a depth of 200 metres — constitutes an important preserve. We may, however, anticipate the development in the near future of technical capabilities of working at greater depths farther from the coasts. Experiments have demonstrated the feasibility of pumping water rich in nitrates and phosphates to the surface to enrich the phytoplankton, thereby enabling it to

support a greater concentration of biological life through the creation of a kind "Humboldt Current". This was precisely the purpose envisaged by Peru's extension of its jurisdiction to 200 miles in 1947.

It is, of course, the exploitation of the mineral resources of the seabed and the subsoil that will provide a stimulus for the development of a law of occupation. While the recovery of manganese nodules, because of their abundance and rapid proliferation, is based on the practice of harvesting and could thus form an extension of the nomadic activity of the exploiter, hydrocarbons, on the other hand, presuppose a durable or permanent installation. Some idea can be gained of the increasing extent of these operations from the fact that undersea petroleum production has already reached 1948 world production levels. Although it is true that, for the moment, this is limited to relatively modest depths on the Continental Shelf, the technical capability already exists for drilling at much greater depths in a zone envisaged by the United Nations as being far beyond the eventual limits of national jurisdiction.

At this point we encounter another aspect of the tension caused by the contradictions in the Law of the Sea — in contrast to a classical law for which territorial jurisdiction was of peripheral concern, we are now witnessing the appearance of a legal system dominated by consideration of spatial distribution.

Toward a territorial law

Classical law is above all a system of personality of the laws. The monopoly of the flag, an outgrowth of the principle of freedom of the high seas, expresses this extension of the legal philosophy prevailing inland. If a state owns a ship, it is therefore entitled to sail it on the sea. The root of the conception of sovereignty was, in fact, a modest one — although not contested for inland waters, it was, until the 1958 Convention, disputed in principle and, in some instances of existing national law, denied for territorial waters. (French judicial and administrative law did not recognize the territorial sea as having the character of national territory — in terms of legal boundaries — or that of belonging to the public domain). The nationality of the ship took precedence over the territoriality of coastal waters.

The seas have always felt the breeze of two great winds — the sea wind, the wind of freedom, and the offshore wind of sovereignty. For centuries the former carried the day; supreme on the high seas, it moved into the territorial

Techniques envisaged for working at greater depth farther from the coasts

here it filled the sails of vessels engaged in innocent passage. Only inland waters found shelter from its dying blast; it reached the ports with the proclamation of freedom of access by the 1929 Geneva Convention.

Only since the Second World War have the offshore winds, replete with fiery claims of sovereignty, borne the jurisdiction of coastal states ever farther from their shores. Here the contradiction reaches its most dramatic peak in the clash of political philosophies and economic interests.

The rule of non-occupation of the high seas was based on the supposedly inexhaustible nature of its resources. As Grotius explained, when common dominion of land ended as a result of the land's inability to provide sufficient products to satisfy the growing needs of men, the sea remained inexhaustible:

... say that the Sea, whether regarded as a whole or divided into its principal regions, can never be subjected to the rights of ownership . . . primarily for a moral reason, that the reason for the renunciation of common property is here inapplicable. For the vastness of the Sea is such as to suffice for all the uses to which the Nations may put it, whether they wish to draw their water from it, fish in it, or sail upon it.

It should be noted that this reasoning may still be applied to the regulation of undersea resources, some of which are presented as inexhaustible, such as nodules, or quasi-inexhaustible, at least in the foreseeable future, and in fact the United Nations in 1970 forbade their exclusive appropriation, declaring them subject to international regulation. Conversely, the threat to living resources serves as a justification for the generalization of the trend towards appropriation, with the coastal states involved explaining that only in this way can they be protected. However, it would be just as logical to maintain that its danger should lead to living resources being considered as part of the common heritage of mankind and their exploitation being regulated according to standards established by an international agency and under its supervision. The two theses are clearly opposed, but what is most remarkable is that, whatever solution is adopted, the problem is expressed in terms of spatially-defined jurisdiction, whether of the seabed or of the surface.

Extending jurisdiction

The situation of the coastal states is examined, the "territorialization" of their jurisdiction can be seen to include a considerable area of the seabed. In its narrowest interpretation (to a depth of 200 metres), the Continental Shelf represents 10 per cent of the area of the globe. If it

were decided to extend it to a depth of 600 metres, on the slope, it would be equivalent to the surface of the moon. (The Truman Proclamation involved an extension of the territorial jurisdiction of the United States over an area of 2 million square kilometers — equal to the surface area of the member states of the European Economic Community).

The sovereignties are surfacing; even where the claims of the littoral states do not go as far as declaring full sovereignty over an area of 200 miles, they take the form of particular laws of jurisdiction which, although functional in nature, of necessity include a spatial element in their definition.

In this context, we have recently seen the appearance, on the initiative of Mexico, Colombia and Venezuela and affirmed by the Santo Domingo Declaration on the Caribbean of June 7, 1972, of the notion of *patrimonial sea*. This formula retains the 12-mile limit for territorial waters, and beyond this gives coastal states economic rights over the high seas to a distance of 200 miles. On the *patrimonial sea*, made up of this zone, they can reserve both the living resources and the mineral wealth of the seabed and its subsoil for their own nationals. This zone may be enlarged even farther if the Continental Shelf extends beyond 200 miles, which occurs frequently in Latin America. The depth criteria established by the 1958 Convention could thus extend the limits of the *patrimonial sea* by considerable distances. (The *patrimonial sea* is distinct from territorial waters in that freedom of navigation is recognized, whereas, in territorial waters, which are subject to the prerogatives of the coastal state's sovereignty, foreign vessels enjoy only the more limited right of innocent passage.)

Seabed zones

The drafts for international regulation submitted to the United Nations since 1970 all involve an area subject to territorial jurisdiction, the dimensions of which are either specific or left blank in anticipation of a final negotiated settlement. In this regard, the American draft is the most explicit, with its division of the seabed into zones. The first zone extends to a depth of 200 metres, over which the littoral state enjoys full sovereignty; the second, up to the "continental margin", which appears to be close to the base of the precontinental rise, is under the trusteeship of the littoral state; and the third, on the abyssal plain, is subject to international administration.

It is, therefore, highly probable that

Patrimonial sea concept gives coastal states economic rights over high seas to distance of 200 miles

U.S. proposal splits seabed into zones; control differs in each area

the Third Conference on the Law of the Sea will be dominated by this problem of territorial demarcation, even though, in some areas, the rights of littoral states do not have the character of sovereign rights.

The problem cannot be avoided by the establishment of international machinery, since here, too, it will be necessary to determine the geographical scope of its competence. This will obviously be limited to what has not already been taken by the coastal states. Although its extent will still be enormous, its economic profitability will decline with increasing depth, so that the crucial factor will be the area of the Continental Shelf allotted to the coastal states. It would seem that negotiation will have to concentrate on the slope (between 200 and 3,500 metres average depth) in order to determine where the common heritage of mankind begins. Beyond that, on the rise (between 3,500 and 5,500 metres) and still more on the abyssal plain, economic returns are likely to be modest, with the exception of nodules, since hydrocarbon resources are located within the continental margin.

The question might be raised whether the notion of mankind's common heritage will be applied to all seas, or whether joint appropriations, undertaken within a regional framework, will not ultimately prevail over this concept.

Regional arrangements

There has always been a place in the Law of the Sea for regional peculiarities, especially in the field of the economic utilization of the high seas — as, for instance, in the case of the North Sea fisheries regulations, governed by the Conventions of May 6, 1882, and February 9, 1964, and the regulation of plaice and flounder fisheries in the Baltic, governed by the Berlin Convention of December 17, 1929. Some of these accords cover vast areas, for instance the Washington Convention of February 8, 1949, on fisheries conservation in the northeastern Atlantic. Fisheries councils have also been established for the Mediterranean, by the Rome agreement of September 24, 1949, and the Indian Ocean, by the Bagnio agreement of February 26, 1948, and fishing in more confined seas has been regulated by bilateral treaties covering one or more species.

These arrangements, however, which have the appearance of special policies implemented by the states concerned, did not call into question the fundamental tenets of the Law of the Sea, based on principles that are universal in scope; the freedom of the high seas, the extent and the law of the territorial sea remained

inviolable. Although the Scandinavian stood apart from the community of nation with their claim to a four-mile limit of territorial waters, the majority of countries were content with three miles.

The 1958 Convention on Fisheries and the Protection of Biological Resources affirmed the regional conception and sanctioned the rights of coastal states in this regard, as well as the rights of states whose nationals engaged in fisheries (Article 6). The convention nevertheless remained within the bounds of the general law, since in its universal applicability it anticipated the possibility of regional arrangements.

Unilateral declarations

Today these bounds have been exceeded and there are some who fear that they have been shattered. Unilateral declarations by the Latin American states, either individually or in concert, have given rise to a distinctive example of a region with its particular law of the sea. (The Declaration of Montevideo of May 8, 1970, for example, was signed by nine states.) On other continents, however, most notably Africa, new legal planets are detaching themselves from the old universe inherited from the classical age.

To complete the process, the archipelagos of Asia require arrangements that will recognize their character as economic units.

By and large, these regions appear to delineate the underdeveloped areas of the globe, but this impression needs some clarification and correction.

Firstly, the claims of littoral states which run parallel in the case of vast oceans, converge in the case of semi-closed seas, producing a movement for appropriation through partition or joint possession. In this regard, it becomes necessary to correct the general impression that appropriation of the sea is the exclusive preserve of the Third World. To begin with, the facts of geography have in some instances themselves provided coastal states with submarine territory. For example, since 95 per cent of the Continental Shelf of the Baltic lies at a depth of less than 200 metres, the Geneva Convention allows it to be appropriated.

In the case of the North Sea, the states bordering it are likewise in agreement on its partition, so the only question is where the demarcation-lines should be drawn. As far as the waters themselves are concerned, the littoral states share common interests. A ruling by the Council of Europe establishes the principle of freedom of access for fishing vessels flying the flag of one member state in waters und

*Crucial factor
will be area
of the shelf
allotted to
coastal states*

he sovereignty or jurisdiction of other member states. The community spirit is here achieving on the seas the same arrangements provided by nature on the shelf.

The cases of joint or collective appropriation of levels or zones of regional seas seem to represent a greater degree of innovation. Thus the decision of the countries of the Western Mediterranean to extend their submarine rights to 200 miles could lead to a partition of the Mediterranean. It seems that a distinction is appearing between the oceans, the beds of which, beyond the limits of national jurisdiction, constitute the common heritage of mankind, and the "mediterraneans", semi-closed seas creating close links between states on their littorals, which thus form a regional or sub-regional community (a distinction first advanced by Italy).

Caribbean status

This is clearly the case with the Caribbean Sea, which, as a part of Latin America, had its special status recognized by the Declaration of Santo Domingo of June 7, 1972. It was stated in the preambles to this declaration that the countries of the Caribbean region, by reason of their peculiar circumstances, required special criteria in the application of the Law of the Sea. The Santo Domingo Declaration proclaims that the bed of the Caribbean, beyond the patrimonial sea and the Continental Shelf not covered by it, is the common patrimony of mankind, but some states in the region envisage joint occupancy, if not of the sea itself at least of the bed between the countries on its littoral, through the establishment of an agency or corporation empowered to carry out all technical, industrial and commercial activities relating to the exploration of the zone and the exploitation of its resources. At the same time, the conception of the common heritage is affected so that it would pass from mankind as a whole to the peoples of the Caribbean. Whereas the idea of the patrimonial sea is defensive, this new one would seem to be productive, with the primary intent of organizing common utilization for the development of the region.

The entire problem facing the conference on the sea will be to find the precise formula needed to reconcile the rules concerning universal status on the seas and those which will accord recognition to regional peculiarities. When this is established on the basis of economic co-operation and development is recognized as the ultimate goal, these peculiarities will assume an irreducible value.

The conception of regionalism itself must be viewed in combination with the formation of other groupings. The term "sub-regionalism" is frequently a convenient description. The position of the Latin American countries is not exactly the same in the southern portion of the continent and in the Caribbean, while the Africans are even less united, even if only because many of them are landlocked countries.

Landlocked states

One consequence of the discovery of the seabed will be to the benefit of states without a coastline. This paradox is explained by the proclamation of the seabed as the common heritage of mankind, a conception that excludes all discrimination between nations, whatever their location in relation to the sea. This demand for equality is today giving rise to a desire to correct all disparities, including those resulting from accidents of nature. Joined by the group of "shelf-locked" countries, the landlocked states together total some 40 countries, wielding a decisive third of the votes at the conference on the sea.

This group was powerful enough, at the 1972 General Assembly, to pass the resolution (December 18, 1972, 3029 B (XXVII), Doc. A/8949) requesting the Secretary-General to carry out a comparative study of the extent and economic importance, from the point of view of its resources, of the international zone as delineated by the various proposals concerning the limits of national jurisdiction so far presented to the Committee on Peaceful Uses of the Seabed. This resolution was passed by 69 votes to 15, with 41 abstentions, which underscores the disunity of the "Group of 77" in its response to maritime problems. The counterattack came in the form of a resolution proposed by Peru (3029 C) requiring the Secretary-General to examine the effect such proposals concerning the limits of national jurisdiction would have on the interests of coastal states.

It is remarkable how this heterogeneous collection of states (though the majority are developing countries, some are industrialized), distributed in various parts of the world, has burst the framework of regional groups. What is involved is the substitution of similarity or community of maritime interests for geographical groupings. As a result, the contradictions in the Law of the Sea are transposed to the level of conflicting interests, especially as the latter are not always clearly perceived by all parties. Some states are un-

*Substitution
of community
of maritime
interests
for groupings
along lines
of geography*

decided and hesitate to adopt a definite attitude, either because of lack of maritime experience or because of the diversity of their concerns, which sometimes differ widely according to the problems at issue. With regard to some problems (archipelagos), the position of a country such as Canada is close to that of some Asian countries and, with regard to other questions, closer to that of the Netherlands (locked) by the northern Continental Shelf.

Does this mean that the jurist and the politician are condemned to set sail without compass or sextant over a sea disturbed by contrary winds? Is there no sign of dawn breaking on calmer waters?

It is not hard to perceive the series of difficulties the family of nations will have to surmount at the Third Conference on the Law of the Sea opening in Caracas in June, in order to reach a consensus. At the moment, there appears to be growing agreement on the extension of the territorial sea to 12 miles, the limit recognized today by the United States and the Soviet Union. Outside territorial waters, one of the major problems will be the demarcation of the zone of national jurisdiction (called by some the patrimonial zone and by others the economic zone) and the maritime public domain, which, according to the 1970 Declaration of Principles, consists of the ocean depths but which some would like to see extended to the superjacent waters.

It is thus possible to synthesize the trends apparent in the debates of the United Nations Committee on the Peaceful Uses of the Seabed, which concluded its work, the preliminary stage of the Third Conference on the Law of the Sea, at the end of August 1973.

The coastal states have affirmed their right to control the resources of the sea over varying distances. In the view of some persons, this might be extended for the benefit of the developing countries to as much as 200 miles, the limit originally claimed by Peru and now adopted in various parts of the world, most notably by the People's Republic of China. This has resulted in a decline of the influence of the Continental Shelf idea, in that a number of littoral appropriations are no longer confined to the seabed but, with the column of water, encompass the entire marine environment, the unity of which with the land is proclaimed by the interested parties.

It is probable that, within the zone of national jurisdiction beyond the territorial sea, the littoral states will have to meet certain obligations in the interests of pro-

tecting the species and the environment whatever recognition is given to the nature and extent of their jurisdiction. It appears, in fact, that, on pain of reducing to nothing the distinction between the economic zone and the territorial sea, coastal states will enjoy special rights rather than real sovereignty over these areas, thus exercising effective jurisdiction in their own interests as well as those of the community of nations (custodial theory).

All states, whether or not they possess a coastline, seem to have acquired the right to profit from the resources of the zone lying beyond the limits of national jurisdiction. This zone, if it extends to the waters, will presumably be under international administration, and it is to be anticipated that it will not be unitary but will distinguish between the seabed and the waters above it. The seabed, designated by the United Nations as the common heritage of mankind, must necessarily be made an integral part of this, and provided with machinery, the nature and jurisdiction of which and, specifically, whether it will exercise powers of control or even of administration, are still obscure.

For the waters beyond national jurisdiction, and therefore superjacent to the ocean depths, that have been designated the common heritage of mankind, it is probable that the exercise of national jurisdiction will be restricted for reasons of conservation. Jurisdiction over the conservation of living species, in particular, might be limited, on the one hand, by the promulgation of basic standards enforcing rational harvesting and, on the other, by the obligation to develop greater co-operation amongst nations, facilitated by improved fisheries commissions. This would mark the completion of the development from a freedom of the seas, which until recently was conceived as the right of states to pursue their own ends without let or hindrance, to a conception of controlled freedom, regulated in the general interest. Freedom of navigation would, however, remain the guiding principle.

Although this conceptual outline appears to reconcile the contradiction present in the Law of the Sea, the torn between the vision of the sea as an artery of communication and that of territorial marine territories as a storehouse of treasures, must endeavour to surmount them in the years to come in Caracas and perhaps in Vienna, if they have a genuine desire to provide for ocean space a legal system that will guarantee navigation for all, development for the nations and the survival of the waters.

Bid to control sea resources up to limit of 200 miles has resulted in decline of shelf idea

The key question for Pearson: what kind of world do we want?

by Peyton V. Lyon

For students of international politics, the second volume of *Mike* is certain to be the most rewarding. The first contains more anecdotes, while the third, if it appears, may well provide more to titillate the fans of political scandal. This volume, however, finds the master diplomat at centre stage and in top form — the key figure during Canada's most exciting and constructive decade in global politics. The account is significant, informative and thoroughly readable. The editors, John Munro and Alex Inglis, have displayed skill and integrity in piecing the story together from the draft chapters, diary and other papers left by Mr. Pearson. Having sat in on many of his seminars at Carleton University during his years of active retirement, I can attest that Volume 2 is very close to the book that he wanted to appear.

One chapter caused Lester Pearson particular concern; entitled "Sovereignty Not Enough", it records the philosophy that inspired his dedicated and often successful efforts to promote Atlantic community, the United Nations and global peace. Never a happy controversialist, Pearson did not relish the prospect that this chapter would necessarily expose the deep gulf that separated his *Weltanschauung* from that expounded by Canada's present Prime Minister. Although hurt and angered by top-level pronouncements that appeared to repudiate the St. Laurent-Pearson tradition in international affairs, he rarely if ever mentioned his predecessor by name. However, even a cursory reading of the first booklet of *Foreign Policy for Canadians*, the fruit of the government's highly-publicized policy review, will reveal that Chapter 2 of this volume of *Mike* is virtually a point-by-point refutation of the "Trudeau Doctrine". Stung by the implied criticism that foreign policy had neglected the national interest, Mr. Pearson asserts in *Mike* that the protection of the national interest is simply too obvious a goal to require stating. Moreover, he contends: Canada's true national interests were in

no way sacrificed to . . . our international activities. On the contrary, these interests were strengthened. Indeed, in few countries is there less likely to be a conflict between national interest and international policy . . ."

Among the interests strengthened by Canada's internationalist bias, Mr. Pearson mentions national pride, national unity, and "a deeper sense of national identity". This "internationalism" also "helped us escape the dangers of a too exclusively continental relationship . . . without forfeiting the political and economic advantages of that inevitable and vitally important association". Wise words. *Foreign Policy for Canadians* concluded by posing the question: "What kind of Canada do we want?" Mr. Pearson insists that we must also ask: "What kind of world do we want?"

Economic growth accented

Foreign Policy for Canadians assigned pride of place among foreign policy goals to economic growth and relegated peace and security to a secondary category. Mr. Pearson comments: "It is always foolish to assume that we can safely leave global matters of war and peace to the great powers while we modestly concentrate our energies on protecting our sovereignty and increasing our gross national product. Economic growth as the first objective of foreign policy is an uncertain trumpet sound . . . If we withdraw into a foreign policy of narrow nationalism with eco-

Professor Lyon has been a professor of political science in Carleton University's School of International Affairs, since 1965. He served as professor of political science at the University of Western Ontario before joining Carleton's staff. Professor Lyon has contributed to a wide range of international affairs journals with articles on Canadian foreign policy and, in particular, on Canada-Europe relations. The views expressed in this review are those of Professor Lyon.

conomic growth as its main objective, Canada's voice might be heard, but it would not impress."

Mr. Pearson rejects the accusation that his policies had been unduly reactive; on the contrary, he contends that they had been "active and innovative". He resented even more the implied criticism in *Foreign Policy for Canadians* that he had been too eager to play the "helpful-fixer" role, and he successfully refutes the suggestion that Canada, in search of cheap applause, had thrust itself unwanted into the affairs of others. While acknowledging the pitfalls of exaggeration and sermonizing, not always avoided, and the fact that conditions after the Second World War were exceptionally auspicious for active Canadian diplomacy, Mr. Pearson documents with ease the pressure exerted on Canada by other governments to expand its international responsibilities, and frequently to give a lead.

Early in his prime ministership, Pierre Trudeau raised doubts about the continuing relevance of diplomacy and diplomats, and his budgetary constraints hit the Department of External Affairs harder than most. With this in mind, Mr. Pearson writes that it would be "unwise and perilous... for Canada to minimize the importance of foreign affairs and diplomatic policy, and the value of a foreign service to make policy effective...".

Internationalist in practice

This catalogue of Pearson dissent from his successor's doctrine could be extended. It should be emphasized, however, that the quarrel is about doctrine rather than practice. At least in conversation with his Carleton associates, Mr. Pearson found little to complain about in the foreign policies actually implemented by the Trudeau Government. In some important respects, he contended, Mr. Trudeau was even more internationalist than he himself had ever been. After reading with delight, and considerable amusement, a long account of the Prime Minister's active diplomacy before and during the Commonwealth Conference in Singapore, he told his students facetiously that he was writing a letter to the *Toronto Globe and Mail* to protest all this "helpful-fixing". Indeed, in view of the Government's exceptional interest in the Commonwealth, its improved program of foreign aid, and its backing for international peacekeeping and European security, one is increasingly mystified by Mr. Trudeau's determination to sound more like Mackenzie King than Louis St. Laurent or Mr. Pearson. Considering the excesses of U.S. policy in the

Korean War and Dean Acheson's harsh criticism of Canada's diplomatic involvement, Mr. Pearson's account is more than fair in dealing with both Mr. Acheson and U.S. motivation. It is none the less persuasive. Although in substantial agreement with Washington concerning the threat of Communist expansion, the approach advocated by Ottawa was clearly more consistent with the interests of the United Nations and common sense. Mr. Pearson was right to brave Washington's wrath. The reputation of "General Acheson" would today stand higher had he heeded more the advice of "Corporate Pearson". The more familiar Suez tale is also well told. Pearson, conceding that his childhood in the "manse" had left a strong emotional attachment to the Holy Land, never hid his sympathy for Israel. He was also concerned during the 1956 crisis to spare Britain and France the humiliations invited by their rash intervention. This did not, however, prevent his acting in a way that enhanced the authority of the United Nations and the prospects for just peace.

In another context, Mr. Pearson commends the UN as a means to nurture bilateral relations and to promote strict Canadian interests. This in no way detracts from the credit due to Canada for the support — second to none — that gave the UN during its formative years. Indeed, as Mr. Pearson well knew, the UN is unlikely to prosper unless seen by its component nations as necessary to the achievement of national goals.

Rescuing man from myth

Despite Pearson's magnificent service to the world organization, he was least persuasive when rejecting the charge that his policies were Euro-centric. His interest in the Commonwealth during the period covered by this volume appears to have been little more than an extension of his interest in Britain. Although present at the Colombo Conference in 1950, he was hardly "the main moving spirit behind the Colombo Plan". (This recent tribute to Mr. Pearson is from the pen of Peter Newman. Since Mr. Newman was frequently unjust to Mr. Pearson during his lifetime, it is perhaps only right that his praise should now be extravagant. However, a record of achievement such as Mr. Pearson's requires no inflation. A careful reading of *Mike* should help to rescue the man from the myth.) Mr. Pearson's primary task at the conference was to discourage any expectation of a major Canadian contribution, and in office he displayed little of the deep concern for the

*In some ways
Trudeau more
of internationalist
than he had been,
Pearson intimated*

hungry of the Third World that is found in the *Pearson Report on International Development*, written for the World Bank after his retirement.

The Pearson revealed in this volume more ardent in the cause of Atlantic community. At heart a world federalist, he championed NATO only after it became painfully apparent that the UN could not guarantee security; but he soon appeared to regard the alliance as a worthwhile end in itself. He chose to describe it as "collective security" and urged that it acquire economic functions that would form the basis for an enduring political community. Mr. Pearson's obsession with Article 2, and what he thought NATO might have been, was unfortunate because it blinded him to NATO's very real achievement in political consultation, an achievement to which he made a substantial contribution; the "Three Wise Men" report of 1956, of which he was the principal author, is now known as the "NATO Old Testament"; it is generally heeded, and more deeply respected than the "New Testament" — the Harmel Report of 1967.

Pearsonian concept

Mr. Pearson, with characteristic candour, conceded that he had failed to sell his conception of Article 2 not only to the allied governments but also to many senior officials in relevant departments of the Canadian Government; these included Anna Wilgress, Hume Wrong, W. C. Clark, Robert Bryce and Kenneth Eaton. Was

the Pearsonian "concept" ever, in fact, as clear as that? And how did it fit into his design for global order? It seems probable that Mr. Pearson failed to appreciate that a non-discriminatory, multi-lateral world was taking shape in trade and financial affairs, or that words such as "community" and "integration", at least for the European *élites*, were acquiring clear and concrete meaning that implied more in the way of Atlantic federation than any government, including Canada's, was prepared to accept.

Compared to Mr. Pearson's ability to be right and effective on the really crucial issues, his difficulty in giving precision to some of his favourite ideas was a trivial shortcoming. Indeed, one might argue that an essential ingredient in the special Pearson formula for healing international strife was the ability to inject, at the right time, the appropriate portion of "fudge"; a sharp definition of the issues that divide can be harmful when it is important that contending forces back away from a sterile and possibly dangerous confrontation. This volume of *Mike* offers illustrations in abundance of the decency, humanity, wisdom, warmth, wit and hard work that help explain how Lester Pearson came to be one of the most useful, trusted and admired statesmen of his generation. *Mike: The Memoirs of the Right Honourable Lester B. Pearson*, Volume II (1948-1957), edited by John A. Munro and Alex I. Inglis (University of Toronto Press, 1973).

*Essential part
of formula
for healing
world strife
ability to inject
proper portion
of 'fudge'*

Peace was a policy as well as a prayer...'

I would not like to leave the impression that during these years our performance on the international stage was above criticism. In the pursuit of our policies from 1945 to 1957, many of our actions and our words, especially at the United Nations, may have seemed to be more idealistic than practical. I admit that occasionally we succumbed to a tendency to sermonize on the subject of peace and international co-operation. While accepting the need to keep our feet on the ground and not gazing at the stars, I felt it necessary to keep our eyes on the ultimate objective if we were to reach it, step by step. It was not a waste of time to talk about and advocate world peace and world

federation or, on a less exalted level, an Atlantic Community or a permanent United Nations Peace Force — even when existing circumstances seemed to make a mockery of such idealism. I knew that peace was a policy as well as a prayer. I knew also that, even if politics was the art of the possible, the political arts could and should be practised without the loss of vision or idealism. I was not so naive as to think that we could decisively, or even importantly, influence the policies of the Great Powers, but I hoped we could influence the environment in which they were pursued. . . . (Excerpt from Volume II of the *Lester B. Pearson Memoirs*).

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- 122* (December 21, 1973) Canadian embassy opened in Jeddah, Saudi Arabia.
- 123 (December 28, 1973) Senegal — visit to Canada of Mr. Ousmane Seck, Minister of Planning and Co-operation.
- 1 (January 7, 1974) Somali Republic — appointment of Mr. James Rollins Barker as Ambassador of Canada.
- 2 (January 7, 1974) Canada-Bulgaria Trade Agreement ratified.
- 3 (January 8, 1974) Canadian Association for Latin America — contribution from External Affairs Department.
- 4 (January 14, 1974) Second Canada-Mexico Ministerial Committee meeting.
- 5 (January 15, 1974) Canada-U.S.S.R. Trade Agreement ratified.
- 6 (January 15, 1974) Economic Commission for Europe — visit of Executive Secretary.
- 7 (January 18, 1974) Ivory Coast — inauguration of National Library in Abidjan.
- 10 (January 30, 1974) Second Canada-Mexico Ministerial Committee meeting — joint communiqué.
- 11 (January 31, 1974) World Population Year — Canadian participation.
- 12 (February 2, 1974) Bahrein, Omon, Qatar and Union of Arab Emirates — communiqué on establishment of diplomatic relations.
- 13 (February 4, 1974) Chief Air Negotiator appointed.
- No. 14 (February 6, 1974) Grenada independence celebrations — Canadian delegation.
- No. 15 (February 6, 1974) Garrison Diversion Unit — exchange of notes by Canada and the United States.
- No. 16 (February 11, 1974) Trinidad and Tobago — foreign investment agreement.
- No. 17 (February 12, 1974) Republic of Malawi — communiqué on establishment of diplomatic relations.
- No. 18 (February 11, 1974) Washington Energy Conference — texts of statements by the Secretary of State for External Affairs, the Hon. Mitchell Sharp, and the Minister of Finance, the Hon. John Turner, with text of final communiqué.
- No. 19 (February 14, 1974) Second Canada/New Zealand Consultative Committee meeting.
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*The number 122 was used twice, by mistake.

Treaty Information

Bilateral

Bulgaria

Trade Agreement between the Government of Canada and the Government of the People's Republic of Bulgaria.

Sofia February 12, 1973.

In force provisionally February 12, 1973, with effect from October 8, 1969.

Ratifications exchanged January 7, 1974.

In force definitively January 7, 1974.

China, People's Republic of

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Peking December 10, 1973.

In force December 10, 1973.

Congo, People's Republic of

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Ottawa December 17, 1973.

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Ottawa January 23, 1974.

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Athens January 18, 1974:

In force provisionally January 18, 1974.

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Ottawa January 7, 1972.

Ratifications exchanged April 10, 1973.

In force April 10, 1973.

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Mexico, D. F., January 29, 1974.

In force January 29, 1974,

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U.S.S.R.

Protocol to further extend certain provisions of the Trade Agreement between the Government of Canada and the Government of the U.S.S.R. signed at Ottawa on February 29, 1956.

Moscow April 7, 1972.

In force provisionally April 7, 1972.

Ratifications exchanged January 15, 1974.

In force definitively January 15, 1974.

Trinidad and Tobago

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Port of Spain February 8, 1974.

In force February 8, 1974.

*Enters into force following exchange of notifications that both parties have complied with formal requirements of their domestic law.

**Agreement will enter into force on ratification.

Multilateral

International Sugar Agreement, 1973.

Done at New York October 13, 1973.

Signed by Canada December 14, 1973.

Canada's Instrument of Ratification deposited December 28, 1973.

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January 1, 1974.

Agreement to amend Article 56 of the Agreement of August 3, 1959, to supplement the Agreement between the parties to the North Atlantic Treaty regarding the status of the forces with respect to foreign forces stationed in the Federal Republic of Germany.

Bonn October 21, 1971.

Signed by Canada October 21, 1971.

Canada's Instrument of Ratification deposited June 20, 1972.

Entered into force for Canada
January 18, 1974.

Canada Commerce, published monthly by the Department of Industry, Trade and Commerce, is a magazine carrying reports on world market situations and opportunities for Canadian businessmen. These reports are written by Canadian trade commissioners overseas. Some issues are devoted to specific areas such as the European Economic Community or Latin America; some are general. There are also regular features such as "International Projects", giving

details of aid projects financed by international development agencies. *Canada Commerce* contains articles on the department's programs and Canadian successes in business and industry. It is available in both English and French, free of charge, to Canadian businessmen, by writing to: Editor, *Canada Commerce*, Department of Industry, Trade and Commerce, Tower B, 112 Kent Street, Ottawa K1A 0H5.



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The global challenge to offset the food scarcity phenomenon

By Charles H. Weitz

Estimates from a variety of sources tell a grim story about Africa's drought-stricken areas. More than 3.5 million head of cattle, worth some \$400-million, may have perished last year in the Sahelian zone and in Ethiopia — about 25 per cent of the cattle population wiped out, with the toll going as high as 80 per cent in some districts. Soils are in such a reduced state in terms of reserve moisture that it is estimated that, even with normal rainfall, it would take the area a minimum of seven years to recover.

Human suffering and death in these zones is impossible to measure. Last year about 6 million of more than 25 million people in these regions were in danger of dying from starvation; many thousands have died and are dying from starvation and, because they are weakened by hunger, from diseases that would not normally be fatal. In one area alone, the drought has reported to have taken more than 2,000 lives.

Soaring prices of crude oil are sending planners and economists back to their equations, charts and projections as forecasts for 1974-75, made only a few months ago, become outdated. Prices posted for gasoline, diesel fuel and kerosene are tripled and quadrupled; fertilizers, insecticides and pesticides become both scarce and prohibitively expensive. The curtailment in fertilizer production, in particular, will profoundly affect agricultural production this year, and Dr. Norman E. Borlaug of the Rockefeller Foundation, a Nobel Prize winner for his work in the so-called "Green Revolution", is quoted as saying that as many as 20 million people may die next year because of crop shortages.

In the United States, President Richard Nixon suspended wheat-import restrictions, while officials denied the situation signalled an impending grain shortage in the United States. At the same time (January 1974), it was announced that supplies of wheat being held in U.S. elevators would be down to dangerously low levels before the 1974 harvests began.

Although harvesting in the United States does not start until May, official figures indicate U.S. grain carryovers as at May to be about 200 million bushels, the lowest figure for the United States since 1946. World population will have increased by approximately 1.4 billion since 1946.

All of the above is only an indication, drawn as it is from a range of sources, of the difficulty facing anyone writing early in 1974 to project or predict world food prospects without leaving wide margins for error. For, whether it is anticipating world weather patterns and their effects on agricultural production (as we saw in 1971-72, the effect of the weather was pretty well devastating), or general effects on production from shortages of such "inputs" as petroleum, fertilizers, insecticides or pesticides, or their disappearance from use because of skyrocketing costs, nothing appears more certain at the start of this year than uncertainty.

Basic transformation

One thing appears certain, however, and that is that the subject of the world's food supply has again become a matter of widespread concern. On the basis of on what we now see — including, undoubtedly, great changes in world aid flows —, we can say it is unlikely that things will ever be the same again. Many factors suggest that the world food economy is under-

Mr. Weitz has been director of the Food and Agriculture Organization's Liaison Office at the United Nations since October 1971. He has had a long association with UN agencies, beginning in 1947. He served with UNESCO in Paris and later as deputy director of the program and financial management division of the UN Technical Assistance Board (UNTAB) in New York. Subsequently he served as UNTAB representative in Turkey and later Ceylon (now Sri Lanka). In 1960, Mr. Weitz was appointed international co-ordinator of the Freedom from Hunger Campaign of the FAO in Rome.



going a fundamental transformation and that the phenomenon of scarcity may be a chronic feature of the future. On a global perspective, the world is very likely to be and remain in a vulnerable position for food in the years ahead.

To expand world food supplies from conventional agriculture, we have two known ways: one is to expand the area under cultivation and the other is to raise the output of each existing unit of production for present areas, using largely scientific and technological advances in machinery, agricultural chemicals and plant genetics.

If one returns to the massive uncertainties introduced into the equation by factors mentioned in the opening paragraphs, one might stop the story right here. Because of lack of knowledge and lack of space to explore each variable in turn and its effects on all other factors, however, let us leave aside the new major uncertainties and concentrate on some of the constraints which have brought us to the brink of crisis at the end of 1973.

The world food problem, or world food demand, has two elements. One of these is rising world population, which is currently estimated to run at the rate of 2.0 per cent a year; on the basis of 1973's estimated world population of 3.8 billion people, this gives a current *annual* increment of 76 million people. UN projections for the period 1975 to 1980 assume the rate will rise to 2.1 per cent annually and then return to 2.0 per cent. This estimate will mean some 4.4 billion people by 1980 and 5.4 billion people by 1990. This is the main demand element.

The second factor consists of rising affluence and its effects on consumption patterns. The easiest illustration is to look only at one food element — namely grain, which accounts for more than half man's total energy intake in direct consumption and, as transformed through animals, accounts for most of the rest of his needs. In the poor countries (which

include about two-thirds of the world population), grain consumption nearly goes directly to satisfy human needs, with little converted *via* animal production whereas, in the Western countries, not only is grain utilization some five times greater annually than in poor countries but only a fraction of it is consumed directly as bread, pasta, etc., while the bulk is consumed indirectly *via* milk, eggs and meat. So we must keep two factors in mind — first, that grain consumption will rise with income and, second, that nowhere in the world do we yet have evidence that with rising affluence the increasing demand for grain has stopped or levelled off.

Two huge disparities

On a global view, world food production up to the present has just about kept pace with world population growth. However, the amounts and rates of growth have varied widely between the so-called developed and developing countries and while we have managed to achieve a precarious world balance, this balance has concealed two huge disparities. The first has been that security, so-called, has been bought through our dependence on the great prowess of the United States and Canada. The second is that within developing countries the Food and Agriculture Organization (FAO) estimates that 10 per cent of the population suffer permanently from hunger and a far greater number — as much as one-third — from chronic malnutrition. On the basis of *today's* population, the hunger figure would be about 450 million people, while the suffering from malnutrition could number up to 1,250 million.

If the modest growth goals of the United Nations strategy for the Second Development Decade (1971-1980) were to be met, the agricultural component would have to achieve a 4 per cent growth *annum*. Since 1961, developing countries have been able to increase their agricultural production by only 2.7 per cent a year. This is far short of the 4 per cent growth-rate needed and, on the even poorer showing for the opening two years of the current decade, the growth-rate for the rest of the decade must average 5 per cent a year to balance out at the general 4 per cent rate.

In the light of possible impacts from some of the factors touched on in the opening paragraphs, there is little room for optimism.

Let us examine some of the constraints and the performance of agriculture in the developing world in these first couple of years of the Second United

*The constraints
that brought
the world
to the brink
of food crisis*

Reference is made in this article to targets or goals. FAO's Indicative World Plan Agricultural Production and Trade was not a plan in the classical sense of plan, but was rather a series of projections and assumptions about the needed performance targets of the UN Strategy for the Second Development Decade. These assumptions were keyed to the 1971/1980 decade period as well as to 1985. The IWP targets are used as a measurement-base for performance.

Nations Decade for Development. We need spend little time on either the weather factor or the war and civil disturbance factor. For the farmer, we have seen and are seeing today, with terrible clarity, in the Sahel zone of Africa, the impact of weather; the spread of the Sahel drought condition to Ethiopia, Nigeria, Cameroon, the Central African Republic and Somalia is most ominous — as are other predicted but not yet established changes in current world weather patterns. While there is today little we can do about the weather, the impact of the past two years strongly warns us not to count on “favourable” conditions as a continuous phenomenon anywhere in the world.

As to civil disturbances and war — what can be said about these tragedies? Their toll in direct suffering and loss of life and property is awesome enough. Their effect on food production is a double tragedy.

Production equation

Turning now to the production equation and actions and constraints, as accurately as the Food and Agriculture Organization can measure, the targets it set for increases in arable area have generally been exceeded except for Africa south of the Sahara. Intensification of production has, however, correspondingly lagged.

As for improved seeds (popularly known as the Green Revolution), the high-yielding varieties were major contributors to the acceleration of production that did occur. Recent increases in the use of the high-yield varieties (HYVs) have been smaller, however, so perhaps the easier phase of introduction to the progressive cultivator with credit facilities is ending; moreover, seed is deteriorating as a result of mixing. The HYVs are limited to rice and wheat so far; while important steps have been made in the past year through the joint effort of the IBRD/UNDP and FAO in identifying and funding research for other important food crops, results are bound to be slow — and application of results to effect any meaningful improvements in either yields or protein quality will be even further away.

Since the HYVs are water and fertilizer responsive, any massive results must be keyed to both factors. On performance, consumption of fertilizers was approximately at target levels, except for the Far East. This exception is doubly significant because of the total weight of the region for both production and population and, more important, because in the Far East expansion of production depends almost entirely on increased yields, as little



AP-Canada Wide photo

A Tuareg father feeds his baby daughter powdered milk flown to Marandet, Niger, from Europe in an attempt to relieve West African drought. Tuareg nomads streamed into Marandet at the southern edge of the Sahara after the spreading drought had destroyed their herds and threatened their way of life.

new land can be added to the production-base. There is also evidence to suggest that fertilizer effectiveness was not as great as increased consumption might have suggested because application was below recommended levels and because of poor soil-testing facilities and lack of adequate extension services and credit.

The largest fertilizer factor was, however, shortages and rising prices, which had reached crisis levels by end of 1973. There is, as this is written, mounting evidence that emergency measures may be necessary to avert potentially disastrous effects — whether at the level predicted by Dr. Borlaug or not — and several important governments and bodies like the World Bank and the FAO are engaged in intensive study and consultation about steps to be taken.

Pesticides and insecticides also became a more important element as the HYVs spread. Evidence is not conclusive but it would seem that, while herbicide use has increased rapidly, general insecticide and fungicide usage has been slower and below targets. The DDT ban has played a part in this, but poorly-equipped plant-protection services, inadequate training facilities

Rising prices, shortages played a major role in making the problem of fertilizers more acute

and general lack of marketing and credit have been even greater obstacles.

Water availability

The second leg of HYV effectiveness is water availability and control. Coupled with this is the aim of multiple cropping. Data are yet incomplete but all indicators are that both the increase in irrigation facilities for arable land and extension of water use for multiple cropping were well under plan targets, and particularly so in the Far East. Some specific country studies where more data are available upholds the FAO's general conclusions and adds further disturbing evidence that expansion of irrigated areas is being offset in part by land going out of production and by increasing salinization from underwatering. Tube wells are in some important areas overtaxing ground-water supplies but this trend could be seriously affected in the opposite direction in 1974 as diesel pumps become too expensive to operate and/or central generating capacity for electric pumps is cut because of fuel-cost problems or drought.

Farm power is also an important element in plan objectives. Data indicate that, except in Latin America, objectives have been exceeded. Increases in machinery do not, however, measure effectiveness of use, and on this score it is too early to make an evaluation. The tripling or quadrupling of fuel costs, however, cannot help but have a serious impact, both on the rate of increased mechanization in developing countries and on the costs of production in the highly-mechanized and power-dependent developed world. Already, useful scientific studies are available on this question; we cannot stop to examine implications here, but if one realizes that in the United States today it requires 80 U.S. gallons of gasoline to produce one acre of corn, one can begin to visualize the complexities of both production methods and price levels from substantially higher fuel costs.

Finally, within the whole complex of institutional services crucial to increased production, the picture for the developing world is not bright. Agrarian reform has been limited and evasion of its provisions has been widespread; poor administrative services have added to lack of achievement. Few figures are available about agricultural credit, but, from what we can measure, it appears that much of what is counted as credit finds its way out of the agricultural sector, much credit is available only to larger landowners, and they have used it for non-agricultural purposes while institutional credit has tended only

to supplant private credit. Rural credit or savings institutions, rather than increasing cash availability in rural areas, have tended to sip up available rural savings and siphon them back to urban areas.

Lastly, there is as yet little evidence that the required extension services and educational facilities are expanding in sufficient quantity and/or quality. The tail of too few, poorly-trained and even less well-supported extension agents, who lack vehicles, fuel and spare parts to move about, office space and equipment with which to work, and materials for experimentation and training, is too well known to retell here. With this human lack goes lack of marketing information, facilities, roads and equipment. It is a depressing circle.

No doubt then, as A. H. Boerma, Director-General of the FAO, said on November 12, 1973, the FAO Conference in Rome at that time could well be its most important session. Certainly, the issues confronting it were formidable, politically, economically and in human terms. It worked long, seriously and well — and came out with several conclusions, only three of which will be touched on here.

Security system

The first was an immediate response to a long-felt need and an attempted reaction to the world grain crisis. The conference set the framework for a world food-security system. Director-General Boerma had said that a situation in which the world's food security depended on the fickleness of one season's weather was no longer acceptable. The conference considered that the Director-General's initiative was timely; it affirmed that the whole international community had a common responsibility to ensure the availability at all times of adequate world supplies of basic foodstuffs and it moved to create the system needed to ensure this goal.

The FAO conference decided to ask governments to follow stock policies that, in combination, would maintain minimum safe levels of basic food stocks, review and establish stock targets to meet domestic needs, and, as appropriate, export requirements — including a security margin for contemporary needs — and to take steps to replenish national stocks when they fell below the minimum levels. The conference further outlined national stock guidelines to define these levels and an intergovernmental consultative mechanism to keep the stock situation under review and to take timely action, as well as an international information system to ensure

Expansion of areas under irrigation being offset as some land goes out of production

Agrarian reform proves limited; evasion of provisions widespread



Information Canada photo—James H. White

Women cluster together as they await distribution of two cups of powdered milk at Ahoua, Niger. According to FAO spokesmen, human suffering and death are

impossible to measure as Sahelian Zone drought conditions have spread to Ethiopia, Nigeria, Cameroon, the Central African Republic and other African states.

re the prompt and adequate exchange data for the effective functioning of the stem.

Finally, the conference told the Director-General to convene an open-ended working party of interested governments to review its handiwork in detail and prepare finally for adoption by governments at the earliest possible date the final text of the system. This work is under way.

The second major area of conference action was international agricultural adjustment. The Director-General had pointed out that, although a food-security system would deal with recurrent temporary threats of food shortages, it would not go to the roots of the food problem. What was needed, Mr. Boerma said, was a better balance in the present irrational and often unjust pattern of world agricultural production and trade. The basic idea, he said, was that the time had come for countries to recognize that a "one-world" view of agriculture is essential. Adjustment would be a continuous process where supplies were constantly adjusted to demand and where the aim was an orderly increase in both agricultural production and trade.

The conference agreed with the Director-General's analysis. It said a dynamic strategy in agriculture was needed and affirmed the view that increased interdependence of economies needed policies

designed to ensure balanced global expansion of agricultural production and trade. The conference asked the Director-General to prepare this strategy, including guidelines, indicators and arrangement for review and appraisal. It said that the Organization's strategy should be based on objectives of a faster and more stable growth-rate of agricultural production, a better balance between supply and demand, with an orderly expansion of food production and consumption, an orderly acceleration of trade, with greater stability in prices and markets, and a rising share for the developing countries in this general expansion.

World parley

Third, and finally, the conference, in the light of a call by the Third Conference of Nonaligned States in Algiers, and acting on an invitation from the Economic and Social Council of the UN, which was inspired by a proposal made by U.S. Secretary of State Henry Kissinger, made recommendations to the United Nations about the convening in 1974 of a World Food Conference.

The Twenty-eighth Session of the General Assembly decided to call this special World Food Conference to meet under United Nations auspices at the ministerial level in Rome, in November 1974, to consider all aspects of the present

Seek strategy based on goals of a faster, more stable growth-rate of production



IDRC photo—Dr. G. Povey, UBC

Soriba Dembele (left) of Mali's Ministry of Health and Dr. Yacuba Koné, medical officer at Bamba, examine a starving child in a refugee camp near the small Malian town of Bamba.

world food crisis and to attempt to agree on solutions. While it is too early to tell precisely what points the conference will cover, it will no doubt grapple with a realistic assessment of the present world food situation, supply fluctuation and causes of shortages. It should look at consumption patterns by regions, economic groups and vulnerable classes to identify present hunger and malnutrition as well as the future problem in the intermediate and longer term.

The conference must try to define action both at the national and interna-

tional levels to deal with the critical bottlenecks and shortcomings outlined earlier on current constraints, including water resources, fertilizers, seeds, machinery and other "inputs", structural and institutional improvements, action against losses and research for optimal technology. The conference should also see to additional measures needed to improve food-stock arrangements, to improve emergency actions and to formulate a long-term policy for food aid.

Trade side

On the trade side, the conference could be expected to deal with assurances for export outlets for developing countries to encourage production, food-price stability to safeguard importers and facilitate both intermediate and longer-term production objectives, and adjustment policies to achieve greater consistency between national and international policies.

It is a strong framework for a special conference. Yet we all must hope and assume that the profound shocks of the last years — both physical and economic — will bring better clarity to and determination in government efforts to find agreed solutions that make human and economic sense. Continued callousness on the part of governments to the plight of millions suffering from hunger and malnutrition cannot be condoned. Continued short-term policies, which produce at best only temporary relief or no improvement at all in world economic order, will not suffice.

With the same inexorable force as the Sahara Desert moves south, the complexity of and the suffering from the world food situation is crowding on our remaining time. The lessons are clearly written out in front of our eyes. Let us read, learn and act quickly and wisely within the short space of time we have.

... If the world food scarcity of 1973 could be viewed as a one-time aberration from promising trends, the issues of export controls and global access would not have great significance. But if ... we are entering a period of frequent, perhaps more or less chronic, scarcity, then strong policy measures are called for.

The international community must devise guidelines covering the obligations of supplier nations to share essential scarce commodities with importing nations. ...

The global food outlook also requires serious consideration of the creation of an internationally-managed world food reserve. ...

A world food reserve could be built up in times of relative abundance and drawn down in times of acute scarcity, thereby helping to stabilize consumer prices. In effect, the cushion that surplus American agricultural capacity has provided for a generation would be provided, at least partially, by a world food reserve system. A system of global food reserves would provide a measure of price stability in the world food economy that would be in the self-interest of all nations. ... (Lester R. Brown, Senior Fellow at the Overseas Development Council, in *Foreign Policy* Winter 1973)

Beyond population action plan — an altered system of values

by David S. Wright

Fundamental questions about the future quality of life, economic development and the availability of resources are raised by the phenomenon of a rapidly-expanding world population. The impact of population growth on a society is a complex one. Oversimplified arguments promoting birth control as the last hope for mankind's ultimate survival or advocating *laissez faire* population policies are rejected by those who have done some careful thinking about this problem. This article will examine the present world-population situation and outline the various policies or solutions which have been offered to deal with it. The World Population Conference to be held in August of this year in Bucharest will bring together representatives from more than 140 nations and will address itself to a wide range of population policy issues. The conference, it is hoped, will play a role in providing guidance for future national and international action in this field.

In any review of population and population policy it is difficult to set limits to the discussion. Closely-related questions about natural-resource supplies, economic and social progress and distribution of income are often raised. An acceptable definition of population policy is a combination of policies directed at affecting population variables such as birth-rates, death-rates, migration and age structure. Population policy will be the primary concern of the representatives attending the World Population Conference but, as with the Stockholm Conference on the Human Environment in 1972, broad issues involving quality of life and human values will be addressed both directly and as they relate to the main subject of the conference.

Until recent decades, world population grew at a very low rate, generally less than one per cent *per annum*. In 1950 the total population of the globe was 2.5 billion; today it is 3.9 billion. Population is currently growing at an annual rate of about two per cent and, according to median United Nations projections, by the

year 2000 the world population will reach 6.5 billion. Projections such as this are fairly dependable, since the number of potential parents in say 20 years is already determined to a great extent by the number of children now living. In addition, their attitudes toward child-bearing will be based to a great extent on the attitudes of their parents.

Drop in death rates

The increase in the rate of population growth has resulted primarily from a drastic fall in death-rates in developing countries. While birth-rates in these countries have remained at an annual average of 40 per thousand, death-rates have fallen from 30 per thousand before 1950 to 15 per thousand at present. There is evidence that, under existing conditions, fertility will begin a slow decline in developing countries during the next few years. Even if this decline takes place and continues until replacement levels of fertility are achieved (two children to a couple), the population of developing countries will not stabilize until late in the twenty-first century at a world-population level that may reach 12 billion.

The challenge in formulating population programs will be to influence not the 6.5 billion figure for the year 2000, which is almost inevitable, but the figure at which world population will stabilize during the twenty-first century. Problems of population concentration in certain regions and in urban centres lend greater urgency to

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the problems raised by such global figures. By the year 2000, more than half the world's population will live in urban areas. In absolute terms, this will involve an increase of 2 billion city-dwellers in the course of a single generation.

Demographic conditions vary considerably among regions. Population pressures measured in terms of population densities are many times more acute in Asia and Europe than in Africa and America. More than half the world's population lives in Asia, and by the year 2000 that continent's share of global population will have risen to 60 per cent. On the other hand, many African and Latin American countries see continued rapid population growth as essential to their economic well-being or political security. Rates of population growth vary from near zero growth in some European nations to as much as 3.5 per cent in some Latin countries. This diversity in demographic situations leads to major differences in approach to population policy issues among countries. These differences must be taken into account when formulating general solutions to the population question. It should be borne in mind that solutions will continue to be primarily national in character under the aegis of sovereign governments. The international or global dimension of population growth must not, however, be ignored.

World resources

The implications of projected levels of absolute population increase for the balance between demand for and supply of natural resources are staggering. Not only will unprecedented population increases in developing countries strain supplies of natural resources — notably food — but improved living standards in developing countries could result in significant increases in their *per capita* consumption of raw materials. In considering arguments about the balance between the forces of population growth, the consequent demand on the world's resources and the available supply of these resources, it must be recognized that it is the industrialized countries that account for by far the greatest share of resource consumption. Although population growth is concentrated in developing countries, the consumption of world resources by the population in these countries remains, relatively, very low.

The developing countries place the highest priority on acquiring a greater share of the world's real wealth and, accordingly, a greater share of available resources. Since natural resources are in many cases located primarily in developing countries, when the aspirations of the de-

veloping world begin to be fulfilled with improvements in living standards, the industrialized countries will begin to feel for the first time real pressure for redistribution of the shares of resources. It follows that the rapid growth of consumption of resources in developed countries, particularly wasteful consumption, will inevitably have to be curtailed.

Limits of growth

Material growth is subject to two kinds of limit — natural and political. Natural limits result from the fact that within a finite space growth cannot continue forever. Scientific innovation can lead to more efficient use of resources and can lead to a reassessment of the natural limits that exist, but it can only defer what is inevitable. Thus countries will have to choose the manner in which they wish to have population growth, and ultimately material economic growth, cease. Political limits, often translated into economic realities, restrict the availability of resources to some countries and to some groups within countries. These limits are reflected in the inequalities of wealth that exist between and within nations. Pressures will mount within nations, and, indeed, internationally, to reassess these political limits. What are termed economic realities of the present may become the fantasies or illusions of the future as the redistribution of real wealth in terms of resource consumption becomes a central fact of economic life.

Thinking on the relationship between population and economic development has been evolving during recent years. The abrupt decline in death-rates in developing countries and consequent increase in population growth-rates coincided with the beginning of large transfers of development assistance from rich countries to poor. Development assistance was seen at first primarily in the context of capital and technological transfer for the purpose of industrialization. Population growth in developing countries was seen as absorbing the full impact of such transfers, primarily because their effects were measured in terms of gross national product *per capita*. More recently, there has been greater concentration in development assistance programs on social and non-industrial sectors such as education, health and agriculture. GNP *per capita* is not an adequate indicator for measuring progress in such areas. Qualitative factors must be given more consideration.

With the earlier approach to development assistance came the notion that channelling funds into birth-control projects would minimize the adverse effects of

Consumption of resources by population of poorer states still remains relatively low

population growth on economic development in poor countries. With the second approach has come an appreciation of a broader conception of population programs. The earlier approach was not successful; the case of India is relevant here. It has become clear that population programs must be an integral part of economic and social development programs, linked closely with efforts to improve, for example, education, health and the status of women. As economic and social conditions change, so do demographic variables. In industrialized societies, where there are opportunities for education, adequate health-care programs and a city-based culture, birth-rates have been seen to fall sharply. This is a result of social conditions, including, of course, the broadly-based practice of family planning. To superimpose birth-control programs on a society with dissimilar conditions, such as a low literacy rate, few employment opportunities for women and inadequate health standards, does not have a comparable impact on birth-rates.

Alternative policy approaches

What, then, is the relationship among the many factors affecting population variables? Three fundamental approaches to curbing population growth have been proposed since 1950. First, the introduction of full-scale family-planning programs as a top national priority has been urged as a solution to excessive population growth caused by continuing high levels of fertility. Second, rapid economic growth and industrialization has been cited as the solution to rapid population growth, the argument resting on the historical experience of developed countries, the population growth-rates of which declined once they became industrialized. Third, it has been argued that appropriate reform of economic and social institutions will produce the result of a diminished population-growth rate more effectively than the mere implementation of family-planning programs.

Governments tended during the past two decades to lean exclusively, or at least primarily, toward one or other of these approaches in dealing with problems of excessive population growth. There now appears to be, in the light of greater understanding of the relationship among population, development and resource variables, and in the context perhaps of an improved political dialogue, an emerging consensus on the best approach to slowing population growth. This includes elements of all three of the earlier approaches.

It is clear that economic development

is a fundamental requirement of the poor countries, an essential beginning to the improvement of the quality of life. Only with better living standards and the social conditions these entail can there be a realistic hope for a substantial and early decline in birth-rates in countries pursuing this objective. Family planning is an essential and integral part of economic and social policies aimed at improved living standards in countries experiencing rapid population growth. Institutional reforms in health and education, in labour practices and the status of women are also central to policies aimed at stabilizing population. The question of appropriate population policies will be the primary one to be debated at the World Population Conference in Bucharest.

Conference agenda

The issues raised above have already been the subjects of extensive discussion during the preparations for the conference, which will be the first international political meeting to study population questions. The agenda covers the full range of population issues, including: (1) recent population trends and future prospects; (2) relations between population change and economic and social development; (3) relations between population, resources and environment; and (4) population and the family. Background documents on each of these subjects have been prepared by the United Nations Secretariat, and these will provide material for debate at the conference. In addition, a World Population Plan of Action will be discussed and is expected to be adopted. This plan will be the major political document coming out of the conference and will constitute the agreed basis for future national and international action in the population field.

The present draft of the plan is based on certain principles concerning population policies. These include the aim of improvement in the quality of life, the interrelation between population trends and socio-economic development, the diversity of conditions among countries and a full appreciation of national sovereignty and basic human rights.

The object of the plan is to improve the capacity of countries to deal effectively with their population problems and to promote international action in terms of research, education and assistance. In the present draft, specific recommendations for action are made in a number of areas, including population growth and appropriate quantitative targets, the reduction of morbidity and mortality, health and nutrition, reproduction and family forma-

*Family planning
essential part
of policies
designed
to improve
living standards*

*Complexity
of issues
rules out
any document
calling for
zero growth
in population
within decade*

tion, fertility levels, family planning, the role of women, population distribution, internal and international migration and demographic structure. Additional proposals are made that relate to the need for further study and research, as well as training and education in the population field. A system of monitoring and assessment of the effectiveness of population policies will also be proposed.

The World Population Plan of Action will be discussed by the political representatives at Bucharest. It is hoped that a form of consensus will emerge on its basic direction, and indeed there are early indications that such hopes may be fulfilled. To be generally acceptable, the plan must reflect the full range of regional and political differences that exist in the area of population policy. Thus no one should expect a striking and simple document calling for zero population growth in a decade. The complexity of population issues and the diversity of views will not allow oversimplified solutions. An integrated approach in which conscious population policies are a part of national economic and social strategies will provide a useful basis for further action.

The results of the conference, and in particular the World Population Plan of Action, will be transmitted to the UN General Assembly this autumn. The recommendations of the plan will be aimed primarily at national programs, although additional international action is expected to be pursued through existing international organizations.

The United Nations Fund for Population Activities has received more than \$100-million in voluntary contributions since its establishment in 1969. The fund's programs deal with a wide range of population problems in developing countries and further direction and stimulation for these programs may be expected from the conference. The World Bank is becoming more deeply involved in population programs in developing countries, giving grants and loans for population projects in the health and education fields. International cooperation will have a supporting role in the implementation of the World Population Plan of Action, but the primary responsibility for comprehensive action lies and will continue to lie with national governments.

The level at which world population stabilizes will depend primarily on the nature and extent of action taken by governments. The problem of excessive growth that hampers progress toward improvement of the quality of life is most severe in Asia. With more than half the world's population, Asian countries are already convinced of the need to take drastic action. They will need assistance in their efforts.

An intriguing example of self-sufficient and comprehensive national action in the population field presents itself in the case of the world's most populous country. China has implemented perhaps the most thorough and successful population policy of any nation. The Chinese case is the result of unique political factors, a system of social and economic institutions that is unparalleled. The Chinese themselves do not wish to be portrayed as an example for the rest of the developing world, stressing the need for poor countries to rid themselves first of the influence of foreign domination. Nevertheless, certain lessons may be learned from a study of their experience.

A heightened awareness of the interrelations among population variables and other economic and social variables has been emerging during preparations for the World Population Conference. The conference should serve further to improve understanding of the global population situation. In the near future, values may have to be reassessed, and the validity of continued emphasis on material economic growth in the industrialized countries may have to be examined. The time may come when restraint on excessive demand and wasteful consumption will become an economic and political necessity in the context of the population situation. Ultimately the question of the more equitable distribution of real wealth and resources among nations and peoples will have to be tackled.

Man has always relied on his ability to muddle through in the most trying of situations. This reliance has been based on his capacity to perceive the need for adjustment to his environment and to changing circumstances. These perceptions are becoming more difficult and the consequences of ignoring them or misreading signs of change are becoming more serious.

In the last resort... it is the decisions of individuals that determine the size and growth of populations... What is a "population problem" to a peasant family in Bihar or an Indian family high in the Andes of Bolivia, or to a typical middle-

class family in Western Europe or the United States? Do they necessarily perceive a problem at all?... (From E. K. Hawkins, "A Family View of Population Questions" in *Finance and Development*, December 1973).

The painful quest for reform of world's monetary system

by Yves L. Fortin

On July 31, 1972, the Board of Governors of the International Monetary Fund decided to create the Committee of Twenty on Monetary Reform and Related Matters. The pessimism and scepticism characterizing press reports and commentaries on the negotiations in the Committee have undoubtedly not escaped the attention of observers. There is obviously widespread disillusion with the slow pace of progress toward monetary reform.

Although most monetary authorities agree that the establishment of a new monetary system, based on the Special Drawing Rights (SDR) to replace the defunct Bretton Woods Agreement, is a matter of high priority, negotiators are still far from reaching a consensus on the means to achieve reform. The national interests of the main participants are often divergent and there is no doubt that political considerations are a greater obstacle to reform than the difficulties of reaching agreement on the highly technical issues connected with it. The delicate task of seeking a solution to current monetary

problems has been complicated by a feeling of uneasiness and insecurity manifested by many countries *vis-à-vis* uncertain international prospects, particularly the energy crisis. This, of course, has made political and economic choices more difficult. As a result, political authorities have become increasingly unwilling to commit themselves to any firm outline of monetary reform before knowing what the impact of current international developments will be on their respective national interests.

The purpose of these notes is not, therefore, to dwell upon the breakdown of the Bretton Woods Agreement or to discuss the esoteric and highly technical questions underlying the negotiations in the Committee of Twenty. The author rather proposes to identify some of the main political factors that have influenced, directly or indirectly, the work of the Committee in the first 18 months of its existence — without forgetting, of course, certain other factors, such as the tension in NATO, which have darkened the horizon of the international scene.

the wake of the announcement by the U.S. Government of the suspension of dollar convertibility in August 1971 and the breakdown of the Bretton Woods Agreement of 1945, the International Monetary Fund was faced with the difficult task of establishing a new international monetary system. The creation of the Committee of Twenty — partly as a result of the pressures of the developing countries, which insisted on participating in monetary negotiations — provided the international community with a representative forum for discussion on long-term monetary reform. It was obvious from the discussions and the events that preceded the decision of the IMF Governors that the new monetary system would have to take into consideration the shift in world economic and political relations that occurred in the postwar period and, *inter*

alia, reduced the relative position of the United States in world markets. The misfortunes of the U.S. dollar in recent years and its proposed replacement by the IMF Special Drawing Right as a primary reserve asset, the recurrent monetary crises and political tension affecting the Western

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countries and the increasing role played by the Third World in the international forums were safe indicators that the new monetary system would be more difficult to negotiate than the Bretton Woods Agreement, which was concluded at a time particularly favourable to the United States.

Progress so far in the Committee of Twenty has been disappointing, both for the observers and for many experts directly involved in the exercise. The views of the main participants diverge on most impor-

Committee of Twenty

The International Monetary Fund embraces 126 member countries. These countries are grouped by economic importance in 20 voting blocs or constituencies. Each of these groups is represented on the Executive Board of the Fund by an executive director. Each of the Big Five—i.e. the United States, Britain, Germany, France and Japan—forms a constituency by itself. The other 15 constituencies each contain from 3 to 18 countries. At present they are led respectively by Argentina, Australia, Belgium, Brazil, Canada, Ethiopia, the Netherlands, India, Indonesia, Iraq, Italy, Mexico, Morocco, Sweden and Zaïre. This constituency structure is also the basis for the Committee of Twenty. The members of this *ad hoc* committee are mostly ministers of finance. Their main responsibility is to make major political decisions on reform. The technical and preparatory work for the committee is carried out by official deputies. It is now expected that a Council of Twenty IMF Governors will be established to look after long-term monetary reform when the Committee of Twenty has completed its work.

tant issues related to reform and it is clear that further progress will depend largely on bringing their points of view closer together. In spite of these wide divergences of views, the Committee of Twenty agreed on September 23, 1973, at the IMF annual meetings in Nairobi, to make public a first outline of reform. The publication of this outline, characterized by a lack of agreement on major items, fell far short of all expectations, as it had been hoped that the Committee could reach a consensus in Nairobi. In spite of the disappointment that resulted, the ministers forming the Committee decided that July 31, 1974, would be the new target-date for completion of the final report, in which major outstanding issues would be resolved.

The great question is, therefore whether a consensus can be reached in the near future, at the political level, on the main issues of reform, given the persistent divergence in the views of the main participants and the severe impact of the energy crisis on international payment and exchange markets. Lack of agreement by July 31 of this year might be regarded as a recognition by the world community of the difficulty of achieving once-for-all reform in the light of the problems created by the dynamic forces of the world economy.

Problem of adjustment

A major shift in world economic relations occurred during the last ten to 15 years reducing the relative importance of the U.S. position in world markets. Under the Bretton Woods Agreement on relatively fixed exchange-rates, this reality was inadequately reflected in the major currencies' exchange-rates. While the dollar became progressively overvalued because of the weakness of the U.S. payment position, some European currencies and the Japanese yen were grossly undervalued. The Bretton Woods system was symmetrical in form, but in practice it did not match the natural pressures that compel most countries with deficits to adjust promptly with comparable pressures on countries with surpluses.

In spite of its huge payments deficits the United States continued stubbornly to refuse to devalue the dollar—i.e. to increase the official price of gold—, claiming that adjustment action had to be taken by countries with surpluses in order to avoid the breakdown of the monetary system. At the same time, and often for political reasons, surplus countries were putting the burden of adjustment on the United States, which, in their view, was responsible for the situation because of its huge balance-of-payments deficits. This procrastination resulted in the gigantic accumulation of U.S. dollars by surplus countries, particularly Germany and Japan, massive speculative attacks on the dollar and, more recently, two devaluations of the dollar, the floating of most major currencies and the sharp appreciation of many European currencies as well as the yen.

One of the main tasks of monetary negotiators is, therefore, to find a way to bring pressure to bear upon countries having persistent payments imbalances, either surplus or deficit, to adopt adequate measures (exchange-rate adjustment or other measures) to correct them. The Americans, determined to improve the

position of the dollar and the level of their monetary reserves, have favoured resort to movements in official reserves as indicators of the need of action by the country in imbalance and for pressure by other countries. Most other countries, some of which felt attacked by the U.S. proposal, feared the U.S. approach as too mechanistic and possibly dangerous, as it would tend to limit the role of political authorities in monetary matters. As some put it, ministers of finance will never accept the prospect of being replaced by computers. Although most countries have favoured a great reliance upon general assessment of particular cases in the framework of the IMF, it is probable that the U.S. proposal on the use of indicators will be accommodated, at least to a certain degree, even though some countries remain suspicious of the motives underlying the American position.

Convertibility of the dollar

Another major issue discussed by the Committee of Twenty is that of the convertibility of the U.S. dollar into gold, a convertibility that was suspended in August 1971. Given the gigantic dollar balances held by creditor countries, the United States is, of course, not in a position to undertake convertibility, and the subject is therefore not yet ripe for solving. The Americans have taken the firm view and this has been accepted, though somewhat reluctantly by the Europeans — that there must first occur substantial improvement in the U.S. balance of payments — more precisely the balance of trade — to reduce the surplus dollar balances, or “dollar overhang”, in the system and to provide them with more reserves.

The Americans have also proposed that, when conditions permit them to resume convertibility, only those dollars presented voluntarily on a bilateral basis will be exchanged for primary reserve assets, i.e. mainly SDRs and gold. The Europeans, led by the French, want to include in the reformed system a tight scheme of convertibility that would call for the mandatory conversion by the Americans of all excessive dollar balances held by creditor countries. The implementation of the European proposal would reduce the role of the U.S. dollar in the world economy, as well as put a stop to the privilege that the United States has had for financing its balance-of-payments deficits — and therefore its investments abroad — by printing an unlimited number of dollars that foreign central banks were forced to pile up. For their part, the Americans see the European claim for full

convertibility as essentially political and motivated by a desire to “clip the American eagle’s wings”.

Role of gold

Serious discussion about the future role of gold in the international monetary system has apparently been carefully avoided so far in the Committee of Twenty. It is nevertheless one of the most politically-loaded questions. The problem, which was already sufficiently controversial and the cause of many debates between the Americans and the French, is described by well-informed observers as an issue of major political and economic importance. The increasing differential between the official and market prices of gold and the threat of certain European countries to use gold in bilateral settlements at a price higher than the official price of \$42.22 (U.S.) an ounce have undoubtedly reinforced these views.

One of the most interesting events relating to monetary gold was the cancellation of the 1968 Gold Agreement in November 1973. Thanks to this decision, monetary authorities are free to sell gold on the private market at a price higher

The Special Drawing Right

The gold-exchange standard system adopted at Bretton Woods in 1946 allowed erratic fluctuations in international liquidity. This led to the conviction that methods had to be developed so that the international community could control such erratic movement. On August 28, 1969, the Governors of the International Monetary Fund, through an amendment to the Articles of Agreement, set up a Special Drawing Account and established rules concerning the issuance of Special Drawing Rights (SDR). Up to now, 116 of the 126 members of the IMF have opted for participation in the Special Account. The SDR is a fiduciary asset defined as equivalent to 0.888671 gram of gold. It is used only to finance members’ payments deficits and in certain transactions with the IMF. Unlike the U.S. dollar, it is not used for private trade and financial transactions. So far the IMF has issued 9.5 billion SDRs. This represents only a small fraction of world reserve assets. It is hoped, however, that the SDR will become the main reserve asset in a reformed monetary system. It is further proposed that its link with gold be severed and that it be valued in terms of a basket of national currencies.

than the official one. While the cancellation of the agreement was welcomed by some countries as having a beneficial effect related to the establishment of a monetary system based on the Special Drawing Rights, some European Economic Community sources felt that the termination of the agreement opened the way for central banks to make settlements between themselves in gold at free market-related prices. If the termination of the 1968 Gold Agreement were to induce countries to use gold in settlements, the need for reserve currencies and SDRs would, of course, be reduced. Because of the size of gold holdings among EEC countries, it is conceivable that their need for reserve currencies and SDRs might be relatively small, particularly if there were a determination to move away from the holdings of reserve currencies such as the U.S. dollar.

It is clear, therefore, that any decision to allow transactions in gold between monetary authorities at market-related prices would have serious implications for the establishment of an SDR-based system and, by extension, for reform. It might also be noted that such sales are prohibited by the IMF Articles of Agreement. Such action would be equivalent to a substantial increase in the official price of gold. It would reinforce the importance of the role of gold in the monetary system at a time when there is widespread agreement that this role should be phased out progressively. In addition, this would result in a significant increase in international liquidity and worsen the problem of excessive liquidity created by the huge and persistent U.S. deficits of recent years and the massive capital movements that took place during recent monetary crises.

Given the soaring price of gold in private markets and the substantial payments deficits anticipated by most EEC members as a result of the increase in the price of oil, it is conceivable that these countries may find it expedient, if not vital, to settle their bilateral balances in gold at market-related prices. It is possible that France may receive unexpected support from other European countries that have remained more or less uncommitted so far, such as Italy and the Netherlands.

U.S. interests

In spite of the efforts made in recent years by the Europeans to persuade the United States to reduce its investments abroad in order to help relieve its ailing balance of payments, the Americans obviously want to remain a net exporter of capital both for economic and political reasons. They must,

therefore, focus their attention on the current account of their balance of payments — that is, attempt to improve their trade balance and possibly reduce or freeze their military expenditures abroad as well as assistance to developing countries. As a result of the two U.S. dollar devaluations and major currencies realignments, the United States became strongly competitive in world markets. The U.S. trade balance made a dramatic comeback in the second part of 1973 and the United States did not hide its hope of registering a substantial surplus in 1974. The American authorities are not, however, over-optimistic, as the U.S. dollar tends to appreciate parallel to improvement in the U.S. balance of trade. The strength of the dollar in the first months of the year also seemed to reflect the fact that the U.S. economy is relatively less vulnerable to the energy crisis and increasing oil prices than the European, Japanese and British economies. The Americans are, of course, conscious of the implications of the increase in the confidence in the dollar on their competitiveness in world markets. Having failed to obtain European assistance in stopping the appreciation of the dollar earlier this year, the Americans succeeded in reversing the trend by taking various measures such as the intervention in exchange markets through the sale of dollars and the elimination of certain capital controls.

Washington has been pleased by the recent reflow of short-term capital to the United States, but the high interest-rate in the "Eurodollar" market has discouraged significant net inflow so far. The inflow of long-term capital in the form of direct investment recorded in the most recent years has, however, been very large by all historical standards. It has been estimated that such investments exceeded \$1-billion in 1973. The taking-over of U.S. firms by foreign capital associated with these investments is having traumatic effects on the Americans. Incredible as it may seem, the United States, at the local level, is beginning to talk about controlling and restricting foreign investment on its territory. Such a shift in capital flows, if it continues, would undoubtedly figure among the most important financial developments of the century. While the Administration's official position is to welcome foreign investment and eliminate controls on capital movements, some business and political circles are increasingly concerned that foreign takeovers of U.S. companies may be detrimental to U.S. interests, particularly if more Arab funds find their way to the United States. There is also fear that U.S. companies

Decision could reinforce role of gold during period of agreement that this role should be phased out progressively

making highly technological goods may fall into the unreliable hands of foreigners.

Takeover curbs studied

One bill was introduced last year in Congress by a Democratic Congressman that proposed virtually to prevent any foreigner from acquiring control over any U.S. enterprise. Less extreme bills aimed at restricting and controlling takeover by foreigners are also being considered. These bills will be discussed in a subcommittee of the House Committee on Interstate and Foreign Commerce. It is worth mentioning that the takeover of a major interest in Texas-Gulf Inc. by the Canada Development Corporation has been singled out as a type of foreign investment that poses potential dangers to U.S. jobs and other economic and political interests.

The United States is most unlikely to agree to any outline of reform before it has cured its balance-of-payments deficit and before circumstances permit the foreseeing of a greater degree of monetary stability. It is probable, however, that the energy crisis will delay the realization of this wish. It has been noted by some observers that the U.S. demand for the right to a prolonged period of substantial trade surpluses before agreeing to reform is to deny one of the major purposes for which the Committee of Twenty was created — that the correction of major imbalances.

It also follows logically that the disappearance of U.S. deficits would tend to strengthen the U.S. dollar, re-establish confidence in it and maintain its role as a primary reserve asset at the expense of the D.Rs. In such circumstances, the urgency of proceeding with reform would diminish and further delays would probably result while a system of co-ordinated floating exchange-rates would insure a satisfactory degree of stability. From the EEC point of view, such developments would probably not be entirely unwelcome. Indeed, they might allay the fear that the United States had become over-competitive through an undervalued dollar. At the same time, this would permit a return to relative monetary stability, which appears to be an essential prerequisite to EEC monetary union plan.

The monetary turmoil of recent years and the unknown effect of the increasing price on the balance of payments and exchange-rates of major countries have retarded progress toward the ultimate economic and monetary aims of the EEC. The implementation of the original union plan is falling behind schedule. The decision made by France in January as a result of the energy crisis — to float the franc

against the dollar independently and to withdraw from the European common float arrangement graphically illustrates the problem. In these conditions, the quest for monetary stability is obviously most important and will probably take precedence in the list of priorities of the EEC over comprehensive reform of the world monetary system. This may well be a partial explanation for the Europeans dragging their feet *vis-à-vis* reform.

The trade-monetary link

The serious concern of the Americans with their balance-of-payments problems led them to take a strong stand at a very early stage on the necessity of co-ordinating negotiations in the Committee of Twenty with the GATT (General Agreement on Tariffs and Trade) multilateral trade negotiations. This proposal gained little support, as most countries, suspicious of U.S. motives, took the position that the IMF and the GATT were the appropriate institutions in which to seek progress on monetary and trade questions and that these institutions should continue to have primary responsibility for identifying the techniques and policies that would lead to progress in their respective fields.

In 1973, there was, however, a reversal in the position of the EEC countries *vis-à-vis* the trade-monetary interrelation. The Europeans became well aware that the U.S. dollar devaluations of December 1971 and February 1973 had made the United States much more competitive in world markets. The EEC countries came to consider that the dollar was undervalued and that this situation, accompanied by an aggressive U.S. commercial policy, could have a negative effect on their trade. The meetings of the Preparatory Committee of the GATT held prior to the trade ministers' meeting of July 1973 and the difficulty surrounding the signature of the Tokyo Declaration clearly reflected increased European, particularly French, concern over the relation between trade and foreign-exchange developments. The narrowing gap between the U.S. and EEC positions on this issue, for obviously different reasons, makes it likely that Americans and Europeans will want to ensure that commitments in one field will not jeopardize their respective interests in the other. While talks are now irrevocably separated, it is likely that progress on monetary reform and GATT will advance more or less at the same pace.

The recent energy crises, which was worsened by Arab oil-production cutbacks and the sharp increase in the price of crude petroleum, has added a major element

Growing concern over relation between trade, foreign exchange developments

of uncertainty in the monetary system. According to reports from the IMF and the Organization of Economic Co-operation and Development (OECD), the sharp increase in the price of oil will put new strains on the world monetary system this year and in subsequent years. The reports stress that Japan and the industrial countries of Europe can no longer expect to enjoy the payment surpluses they have earned in the past and that this could test international co-operation in the future.

Advantage sought

It is feared that countries facing balance-of-payments deficits and falling exchange-rates will impose deflationary policies and even deliberately let their exchange-rates depreciate in order to gain an advantage over their neighbours. The Americans, for their part, are also worried that the oil crisis may have a detrimental effect on their balance of payments, and it is feared that it will frustrate their hope for a surplus in their current payments. They believe, however, that, once world trade in oil is back to normal, the net impact on their position would not be too serious and might indeed even be favourable in spite of high prices. This reflects the well-known fact that Europe and Japan are more dependent on foreign sources of energy than is the United States.

Another thorny question related to the increasing price of oil is the flow of Arab investments. Having used oil for political purposes, the Arabs threatened early this year to pull out their capital from Western countries. In January, Arab economics ministers called for a gradual withdrawal of Arab capital from foreign banks and for the intensification of investments in development projects of needy sister states. The Arabs claim that this proposal is not politically inspired and does not aim to undermine Western money markets. This qualified stand undoubtedly reflects the fact that the Arabs have much less leeway in shifting and investing their foreign-currency holdings than they have in deciding oil cutbacks and price increases.

First, the degree of absorption of poorer Arab countries is limited and any transfer of real resources to them can only be the result of a very long process. Second, there are few places, if any, outside the West where the Arabs can invest their capital. Their choice is essentially limited to the United States, the "Euro-dollar" market and the "Eurocurrency" markets. For example, while there were reports recently that the Arabs were withdrawing substantial amounts from the

United States, it was reported that they were investing actively in the Eurodollar market and in Switzerland. The Arab capital will therefore not affect all Western countries at the same time. The main threat comes from the fact that Arab investors will increasingly be in a position to exert strong pressure on particular currencies and countries by shifting short-term financial assets (their preferred type of assets) from one country to another. For example, any concerted decision to shift funds from Britain could have extremely serious implications for the ailing British balance of payments and sterling.

The increase in the price of oil has added a new element to the world monetary equation. How can the system cope with the billions of the oil-producing countries? The IMF estimated in January 1974 that the oil exporters' collective balance-of-payments surplus could reach more than \$60-billion in 1974 — whereas most industrial countries and non-oil producing developing countries will experience unprecedented deficits. In such circumstances, it will be in the interest of Arab and other OPEC countries and deficit countries to proceed with an exchange of assets that will be mutually satisfactory and enhance monetary stability. This will take a good deal of co-operation and statesmanship. The issue will have to be solved at least partly with the assistance of existing institutions such as the World Bank and the International Monetary Fund, or by new ones specially created for that purpose.

The developing countries

An important phenomenon linked with the creation of the Committee of Twenty has been the participation of the developing countries in monetary talks. The repeated international monetary crises in recent years have been regarded by them as a serious threat to their basic interests. The methods of seeking to solve these crises by a restricted number of developed countries created resentment among poorer countries. They felt that their interests were not properly looked after since they had been excluded from monetary talks. The creation of the Committee, however, provided them with an acceptable forum for discussion. Nine of the 20 participants represent developing countries exclusively, while some participants from developed countries also represent developing countries. For example, Canada represents, *inter alia*, the interest of Jamaica and Barbados.

The specific interests of developing countries in reform include fixed ex-

Arabs have less leeway in shifting holdings in currency than in making oil cutbacks or price boosts

change-rates between major currencies, with narrow margins of fluctuations to mitigate the unsettling impact on their export proceeds from any undue flexibility in exchange-rates. Their main interest is, however, the inclusion in the final outline of reform of provisions guaranteeing the transfer of real resources from developed countries to developing countries. Their main proposal in this regard is the establishment of a relation or "link" between the allocation of Special Drawing Rights by the International Monetary Fund and development assistance with a view to effecting a transfer of real resources and thereby fostering their economic development. This would probably be accomplished by allocating a greater share of Special Drawing Rights to developing countries than corresponds to their importance in the world economy, while developed countries would receive a smaller share than hitherto.

Developing countries consider that this scheme of an untied and quasi-automatic form of aid would improve the quality of development assistance. They realize that the "link" would not guarantee them great amounts of assistance. Their point is, however, that it would constitute recognition that provision of resources for development purposes was a legitimate concern of the international community. The developing countries have made clear that any acceptable outline of reform must include specific measures such as the "link" to promote a transfer of resources in their favour. For example, Indian Finance Minister Y. B. Chavan has announced publicly that his country would not agree to a new monetary system that failed to accept the link idea. This proposal has, therefore, a strong political undertone.

Reservations on 'link'

Although most industrial countries agree with the basic objective of increasing the flow of development assistance, many of them have reservations over the conception of the link. They are concerned that the link between the SDR and development assistance might prejudice the prospects of achieving good international monetary arrangements, and some of them have proposed alternatives. It is generally agreed that the reformed international monetary system will rely heavily on the SDR. It is argued, in this connection, that, if the international community tried to make the SDR play two roles — one as an international asset and one as a means of financing development —, the SDR might not be able to win and hold the complete

confidence it would need to play its reserve role. It is feared that, as a result, monetary reform could be jeopardized. It is recognized by both opponents and advocates of the link that the question of confidence is central to the issue. A decision on this matter will rest in the final analysis on political considerations. It is likely that this issue will be solved relatively easily once major countries show in a tangible way that they have sufficient political will to agree on the more crucial items connected with reform.

Development undercut

The increase in the price of oil has delivered a serious blow to the efforts of development in the underdeveloped countries. The World Bank has estimated that the bill of such countries for imported energy will more than wipe out the increase in assistance funds projected by the donor countries for the rest of this decade. There is, therefore, no hope that the developing countries could finance these additional expenses on present expectations. Unless Arab and other oil-producing countries agree to take compensatory measures in favour of developing countries, it is likely that these will experience major economic setbacks and see their indebtedness position deteriorate further. This new situation will undoubtedly change the attitude of the developing countries *vis-à-vis* monetary reform. It is likely to reactivate the proposal put forward by some of them that the world community should embark on a tripartite reform of the world economy that comprises three areas: international monetary system, trade arrangements and transfer of real resources to the developing countries. The special session of the United Nations General Assembly in April clearly demonstrated the determination of the developing countries to establish a new economic order through fundamental changes in the economic and trade relations between rich and poor nations.

Short of agreeing on a final outline of reform in 1973 as planned, the Committee of Twenty decided at its September 1973 meeting in Nairobi to push ahead for completion of a framework of reform by July 31, 1974. The question is now whether the new deadline for final agreement on reform is realistic, given the energy crisis and the serious divergences that persist among the main negotiators. The problems reviewed above tend to show that the reasons and conditions for agreement on the main aims of the 18-month reform exercise have lost some of their meaning. The monetary system has been moving

Energy import bill estimated at a level that will top increases in aid funds

Deadline for final pact questioned in view of energy crisis and differences among negotiators

back to relative stability through major currency realignments and the experience of floating exchange-rates. There has simultaneously been a growing recognition that monetary reform will be impossible until the U.S. balance of payments has improved, and less urgent after that. Also, political dissension among Western countries, which was further exacerbated by the Middle East crisis and by Arab oil cutbacks, has made it difficult for negotiators to agree on a new monetary structure that would tend to limit their sovereignty in present circumstances.

In spite of the difficulties that have emerged from all directions, one fact remains certain: the world does need a new monetary system. While this may take a long time and much patience, negotiators will ultimately have to come to terms with the problems of reform.

The road to reform can be approached essentially in two ways. One is the package approach in which each element is negotiated as part of a whole and in which negotiators hold up agreement on reform until the whole is acceptable to each of them. The United States and the EEC road is the piecemeal approach in which reform is conceived as a long process to be implemented in a sequential manner. This is the approach suggested by the Finance Minister of Canada, John Turner, at the IMF annual meeting in Nairobi last September and again at the meeting of the Committee of Twenty held in Rome in mid-January. It is now clear that the energy crisis has left negotiators with no alternative. Indeed, at Rome,

it was agreed that the various elements of reform could only be implemented as economic circumstances permit. This was a recognition that the shape of the new monetary system might depend to a large extent on the course of future events.

In the coming months, it is hoped that the basic thrust of monetary reform will be the improvement of the IMF's consultation and surveillance mechanism. In the present environment of great international uncertainty, it will be important to have ongoing analysis of emerging problems and consultation between IMF member countries. Apart from such consultation and surveillance, the other aspects of reform are likely to receive a lower order of priority than has been the case in the last 18 months. At the time of writing, the Committee of Twenty is scheduled to meet for the last time on June 12 and 13. It is now likely that the reform exercise will be continued in the Executive Board of the IMF, with major matters for decisions being referred to a new Standing Committee of Twenty IMF Governors that is expected to succeed the Committee of Twenty. The Standing Committee will probably meet three or four times a year.

In spite of a lack of agreement on monetary reform, it is undeniable that the Committee of Twenty has made some progress and contributed to the return of greater monetary stability. This partial progress can be interpreted as a sign that the sequential approach to reform is both realistic and promising.

Even with imagination and expertise, it is difficult to establish a new and better (monetary) system. It is difficult to create a supranational standard of value which is not at the same time a national currency, like the dollar, or a commodity used for speculative purposes, like gold. . . .

. . . The process of evaluating the pros and cons of the proposed monetary rules is still under way. What has so far emerged, after lengthy negotiations, . . . is at least a basic concept. Luckily there has also been found an interim solution to the important question of the valuation of the Special Drawing Right: the yardstick is to be the average value of a "basket" of major currencies instead of the U.S. dollar.

On the other hand, however, there has so far been no decision on the question of how to finance the payments deficits of the less-developed countries. This ques-

tion, though at first glance it appears to be of secondary importance from the point of view of monetary policy, is actually very important in the light of recent developments. It is certainly true to claim that . . . understanding for the common cause has increased and that therefore the continents have moved closer together in certain fundamental views. But even if all moral accessories are left aside, nobody . . . would be able to say just when the new system can be put into operation. For nobody, in view of the still incalculable effects of the dynamic changes in the terms of trade, can confidently claim to be in a position to determine new fixities and afterward defend them against market forces . . . (Helmut Schmidt, West German Chancellor-elect and previous Finance Minister, in *Foreign Affairs*, April 1974).

Nations must ultimately 'come to terms with problems of reform'

A code of conduct: first step in regulation of multinationals

By Roy MacLaren

As this article was being written, the United Nations Group of Eminent Persons was grappling manfully with the task of preparing its report on the vexed subject of "the impact of multinational corporations on world development and on international relations". The report is scheduled to be submitted to the UN's Economic and Social Council (ECOSOC) in July.

Like Byron, the multinational corporation has now awakened to find itself famous. Many corporate managers had hitherto thought that they were engaged in the provision of goods and services in an efficient manner (spurred by the profit motive). Now with the UN Eminent Persons, as well as a host of academics, taking the trouble to scrutinize their activities, they recognize, somewhat to their surprise, that they are seen as prime agents of economic development and social change, as subjects of intense interest and debate.

At the same time, however, multinational managers are uneasy about the extravagant degree of power and influence sometimes ascribed to them. This is understandable. The fact is that the power of the multinational corporation is as nothing compared to that of governments, a fact all managers know. Popular confusion over this point arises from such meaningless pseudo-statistics as that of the annual sales of General Motors being greater than the GNP of Belgium. This is false, but size is not power and it does not follow that the corporation somehow wields power internationally comparable to that of the Government of Belgium within its own borders.

Impact of national laws

Further, the trans-national character of multinational business does not mean that the corporations operate happily within a sort of international vacuum, free to wheel and deal as they will. National laws are there — or can be there — to cut across international transactions and to make certain that foreign-owned corporations

act in accordance with what the local government perceives to be the national interest.

Basically, the multinational enterprise can best be understood if it is recognized as one manifestation of the search during the past decades for wider international co-operation. From the sudden interest shown recently in multinational corporations, it can be assumed that their growth, as a result of postwar international co-operation, was largely unforeseen. It is, however, a logical outcome of the policies most constituent and subsequent member states of the United Nations have energetically pursued.

Since the Second World War, the people of the Western world especially have become disillusioned by the excesses of nationalism and have intensified their search for greater international co-operation. As a consequence, a multiplicity of organizations has been created to foster international concord. In the political field, these efforts have had only mixed success, for in recent years nationalism in some areas has grown at least as fast as internationalism. In the economic field, on the other hand, internationalism has moved forward more steadily. The International Monetary Fund, the World Bank, the General Agreement on Tariffs and Trade (GATT), and regional common markets and free-trade areas are all illus-

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trative of the new environment in international economic relations. In turn, additional international banking, insurance and other commercial services have evolved within this framework. They in turn have led to the shift in emphasis from simply international trade to international production.

Trade once followed the flag. Now the multinational corporation follows trade. No one today argues for autarchies, not even the centrally-planned economies. Foreign investment, furthermore, is frequently sought since it can bring economic and technological benefits. No doubt the forthcoming GATT negotiations, if successful, will lead to yet further expansion of multinational enterprise.

Power of regulation

Having created the circumstances in which the multinational corporation has evolved, governments equally have the power to regulate foreign investment if they wish to exercise it. Since the Depression and the Second World War, it has been everywhere accepted that governments set the rules for the functioning of national economies. Different governments, of course, set different rules, yet multinational corporations have shown remarkable flexibility in responding. In their own interests, governments should be clear about what they want from corporations, defining the terms of entry and operation, taxation, anti-monopoly, repatriation of profits and export practices. If policy in these areas is clearly stated and any extraterritorial extension of foreign law rebuffed, some points of abrasion between governments and international enterprises should be reduced or even eliminated.

The confusion and misgivings that surround the very name multinational corporation — ardent nationalists today use the phrase as an incantation just as pacifists of the 1930s talked darkly of arms merchants — arise in part from ignorance and the errant behaviour of a few. Happily, the study of multinational corporations has itself become a growth industry. From the sudden flood of good and not-so-good studies of international investment, including that of the UN, there should eventually emerge recognition that, after all, the nation state, acting individually or collectively, does have the power to ensure that the local activities of the multinational corporations — if it wants them at all — are of significant benefit.

Once a government has decided that foreign investment can be beneficial, the more subtle questions of in what ways, in what sectors and how much must be ad-

ressed. Japan has flourished within a structure created to accord with its traditions and needs; Sweden within another; France in yet another. Canada, with the recent establishment of its Foreign Investment Review Agency, has embarked upon yet another approach, validated by our own national experience and development requirements.

These national efforts may prove sufficient to ensure a reconciliation of national interests with the economic benefits that global rationalization of manufacturing or service industries can bring. Once an investment has been made, a captive has, in a sense, been created. The power of the local government can then be fully deployed — by regulating essential import licences or resident permits, increasing taxes and restricting the remission of dividends, etc. Yet even then the question of who controls the multinationals and what some regard as the random nature of their decisions will probably still create uncertainties and misgivings. Control may not be a major problem if the nation state employs skilfully the many tools available to it. But, if it is seen to be a problem by any significant segment of the population then it is a problem. Economic logic is not enough. Feelings are facts.

Here the solution lies in the realm of co-operation among nation states, through the provision of a countervailing force. (It is beyond the scope of this article to postulate that multinational unions could prove to be an even more effective countervailing force.) By acting together, governments can demonstrate for all to see their ability to ensure maximum benefit from trans-national investment.

Misled by rhetoric

Yet let us not become misled by our own rhetoric. We hear from time to time hopeful talk about the world moving toward global co-operation, a trend encouraged, some contend, by the very existence of multinational corporations but we are quite obviously still a long way from achieving any profound global co-operation. Moreover, at the same time that we search for signs of growing international fraternity, we see dissatisfaction with governmental organization, even at the level of the nation state. Nationalists of various minority groups, in Canada and abroad, call for a devolution of political power from existing nation states to yet smaller units.

There thus appears to be a dual process at work: one impulse tending toward global co-operation, the other toward local autonomy. Against this background o

*Nation state
has the power
to ensure
that activities
of multinationals
prove to be
of real benefit*

sometimes bewildering political evolution, where does the multinational enterprise fit?

Attuned to nationalist thinking

The corporation, while contributing to a more global view of human problems and possibilities, must somehow accommodate its own evolution to that of current nationalist thinking. The focus of political power today remains the nation state, however imperfect an entity it may be for the social organization and betterment of mankind. Multinational corporations must not allow themselves to become so obsessed by the economic efficiencies of a global application of technology or production that they lose sight of the fact that subsidiaries must be, and must be seen to be, good corporate citizens of the local society.

Some observers are, however, sceptical of such steps. A recent book on multinational enterprise (Richard Eells, *Global Corporations*) contended:

"Some companies have attempted to soften the reactions of national governments by corporate diplomacy — which has proved in most cases a euphemism for protective colouring. Often this has included taking local partners, listing the shares of subsidiaries on local exchanges, employing local managers, and trying to behave as though its corporate children were national companies of the host country which only distantly acknowledged their absentee parent. Efforts of this kind have been adopted with varying degrees of success, and the attempt to achieve a local identity should not be rejected out of hand, though clearly it is more suited to certain types of corporate activity than others."

Rejecting this approach as inadequate to ensure full benefit for the host country, other observers of the international scene have suggested that no government, acting alone, can hope to control effectively both the multinational corporation and its home government.

They urge that a supervisory organization, operating under the authority of an international convention, should have the power to incorporate multinational enterprises, thus removing them altogether from national jurisdictions and placing them in some sort of international tutelage. In that way, the corporations would become "internationalized", citizens of the world, governed by international legislation.

Other efforts at international co-operation, however, are not so markedly successful that one has much expectation that governments would readily surrender

that degree of their sovereignty necessary to make effective a supra-national regulatory entity with major powers. After all, international organizations, for the moment at least, are limited in their activities to what has been agreed on by sovereign member nations. Furthermore, the continuing difficulties of creating company law and providing for effective arbitration, even within the limited area of the European Economic Community, do not give much reason to expect that a global organization with real authority will be created in the near future.

Code of behaviour

Probably the first step toward successful international supervision is nothing more dramatic than a code of behaviour for multinational corporations, an initial step advocated by the UN Secretariat's report of last autumn to the Group of Eminent Persons. Some have rejected this idea out of hand, as being no more than a cosmetic illusion unless backed by a strong international authority with sanctions. Nevertheless, the Group of Eminent Persons is likely to recommend the establishment of a UN commission backed by a secretariat. This body would, among other things, draft an international code of conduct for both corporations and governments. Within this code of mutual obligation, undertakings regarding fiscal, export and labour practices can be spelled out. These will be more than platitudes, but they will not be legally enforceable. The impact of an international code will, in the first instance, be the indirect one of moral suasion. Since multinational corporations are eager to win public approbation and encourage a receptive climate wherever they operate, the impact of an international code can be more pervasive than might at first appear.

Concurrently, a UN information unit might collect and collate precise material about the evolving nature of multinational corporations and to report to an expert committee of government-appointed representatives. This should help to "demystify" the whole subject of international investment. Canada is fortunate in having the resources to make a national policy effective: statistics, tax information, investment, export and other details. Unfortunately, not all countries are at the stage of development that permits the acquisition and analysis of the necessary information to make meaningful a positive foreign investment policy. Here there is a good case for international assistance to be rendered by the OECD and the GATT, as well as by the United Nations system.

*Some insist
code needs
to be backed
by authority
with sanctions*

*Envisage unit
of the UN
asked to serve
as intermediary
for governments
and corporations*

The GATT has been engaged for more than two decades in close observation of the international exchange of goods and services. Accordingly, the GATT would appear to be equipped to co-operate with the UN information and advisory centre envisaged in the UN Secretariat's report. The UN centre can, in filling its role, reinforce the sovereign right of nations to decide for themselves whether they want foreign investment within their boundaries and, if so, on what terms. Ideally, those terms would become increasingly standard throughout the world. From there, it is not difficult to imagine a United Nations unit being charged with monitoring the observance of the code and, sooner or later, also acting as an intermediary between governments and corporations, as an agent of accountability and as a catalyst in the harmonization of national laws and investment policies. Eventually, a "General Agreement on International Investments" might emerge to parallel the GATT.

Concurrent with the code of behaviour as a first step in international regulation, another approach to the reconciliation of multinational and national interests is receiving increasing attention. It has been argued that current developments regarding direct foreign investment demonstrate that it is the multinational enterprise, not national sovereignty, that is at bay. Resistance to direct foreign investment has, in some cases, increased. This being so, it is urged that the conception of corporate participation in the development process must change from the investment element's being regarded as paramount to greater emphasis on the intangible benefits of multinational enterprise — the managerial and technological capabilities and all the other institutional resources.

... As I read the extensive and complex evidence, multinational enterprises do some helpful things and some hurtful things in terms of social values I prefer. But multinational enterprises are neither cops nor robbers, good guys nor bad guys. Indeed... I am convinced that what the disputants are saying most of the time has very little to do with what is really bothering them. Economic growth, balance of payments, choice of technology and most of the other familiar issues in the debate appear as no more than semantic handholds, tactical weapons used by the antagonists to gain a temporary advantage in a struggle precipitated by more vital issues.

Seen in this light, management of the overseas venture will no longer be a permanent right vested in ownership but rather an obligation assumed for a specific period. Such management contracts, "co-production agreements", "contractual joint ventures", or whatever they are called, have in common several features:

- ownership is left either in whole or in controlling part in national hands;
- the duration of the foreign company's presence is limited;
- explicit provision is made for renegotiation of terms at specific intervals.

The possibilities of this approach, including a supporting role for such international institutions as the World Bank, are only beginning to be explored in depth.

Clearly much work remains to be done — and done quickly — if the maximum benefit is to be gained through foreign participation in local economies. The basic facts are, however, now evident. Ever-expanding methods of communication have already begun to create a world economy through the stimulation of demand for manufactured products. Transistor radios are no less desired in Kampala than in Kuala Lumpur or Nova Scotia.

Multinational corporations are one response to these common demands. Their activities are already inducing governments and labour unions to think more about the fact that the world is becoming a single market-place, not merely a collection of isolated national markets. In this way, the multinational corporation offers a new inducement for governments to seek more rapidly greater mutual consultation, understanding and unity in a world not yet much noted for its cohesion.

... What is at issue, in my opinion, is usually a struggle among competing élites. The managers of multinational enterprises are technocrats for the most part, concerned with finding some medium through which to express their needs for status, creativity, security and power. The leaders of governments and labour unions, whom they confront, share these underlying drives, albeit in a different institutional framework. The negotiations between the leaders of multinational enterprises and the leaders of national organizations are replete with illustrations of the resulting conflict... (Raymond Vernon, director of Harvard University's Center for International Affairs, in *Foreign Policy*, Winter 1973).

Energy conference postscript—a test of U.S.-Europe relations

By Frank Rutter

In the middle of a winter made uncomfortably harsh by the politics of oil, the brilliant sunshine that beamed on Washington seemed too good to be true as the foreign ministers of 13 industrialized nations gathered for the energy conference in the second week of February. Indeed, it was a false spring, an eccentricity of climate common in the capital of the United States, as anyone who arrived with preconceptions about solving the awesome applications of the world's energy problems was soon to learn.

Yet it was an impressive achievement that the ministers of these 13 countries were even able to convene at all under one roof in response to the initiative of the United States. It was, for a while, touch and go; but all did respond, with what French Foreign Minister Michel Jobert has said to consider "a gesture of solidarity". Before Mr. Jobert had left sunny Washington, however, there were others who would characterize his gestures at the energy conference as an entirely different method of expression.

Thanks to Mr. Jobert's virtuoso performance, it was not so much a forum on energy as a remarkable test of relations between the United States and Europe and of unity within the European community itself.

In substantive terms, the Washington Energy Conference of February 11-13 was a qualified failure; in political terms, it might be said to have been a qualified success. This, in fact, is the sort of epigrammatic language that prevailed during those three unusual days, which Canada's Energy Minister Donald Macdonald so aptly described on his early departure as "Byzantine".

The belated realization that the world is facing an energy crisis — though one of contested dimensions — did not begin to sink home, in a literal sense, until last year; and it did not become excessively painful until last October, when the Arab oil-producing countries discovered the potency of a new international weapon, one

that could cripple economies and injure people as effectively as anything fired on the field of battle.

Kissinger initiative

The initiative was taken by U.S. Secretary of State Henry Kissinger in a speech at London on December 12, 1973, to the Society of Pilgrims. Dr. Kissinger proposed formation of a world energy "action group" to grapple with mutual problems in supply and demand of industrial society's most vital commodity.

The grand strategy evolved by Dr. Kissinger was to inaugurate a series of conferences, starting with the industrial majors, then embracing the less-developed countries, and ultimately extending to a grand finale between consumers and producers. Accordingly, the first invitations went out on January 8 and the 13 foreign ministers met in Washington. Those attending included the ministers of Canada, Japan, France, Britain, the Federal Republic of Germany, Belgium, Italy, the Netherlands, Luxembourg, Ireland, Norway and Denmark. There was also collective representation of the European Community and the Organization for Economic Co-operation and Development.

In formulating an agenda, Dr. Kissinger advocated seven areas for discussion and co-operation: (1) conservation; (2) development of alternative sources of en-

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UPI photo

Venezuela's Mining Minister Valentín Hernández (left) and Iran's Jamshid Amouzegar confer during March sessions in Vienna of the Organization of Petroleum Exporting Countries. It was after this OPEC meeting and a parallel

meeting of the Organization of Arab Petroleum Exporting Countries (OAPEC) that the decision was announced to lift the oil embargo imposed on the United States during last fall's Arab-Israeli conflict.

ergy; (3) research and development of new sources; (4) emergency sharing of supplies; (5) financial co-operation; (6) aid to lesser-developed countries; (7) a co-operative framework for producer-consumer relations — namely, the action group.

"As we look toward the end of this century we know that the energy crisis indicates the birth pangs of global interdependence," Dr. Kissinger said in his opening speech on February 11. "Our response could well determine our capacity to deal with the international agenda of the future."

As it turned out, the pangs were rather severe; and the agenda was somewhat stunted. In substance, the conference considered two items: opening remarks, and communique. The communique was, in fact, the only formal document tabled at the conference, and it was not exactly imaginative.

Even before the principals arrived on the scene, there had been expressions of alarm, both from the Arabs and among the allies, that the conference and any structured follow-up would be construed as an attempt to gang up on the oil-producers. At the same time, Dr. Kissinger was warning that the world faced unprecedented economic disaster and that an orgy of self-

serving bilateral deals among consumers and producers would hasten the day of economic judgment.

U.S. program

Because of the Arab embargo imposed last October, the United States had embarked on its own drastic program of conservation, coupled with an intensive quest for alternative and new energy sources, symbolized by "Project Independence", which aimed at self-sufficiency by 1980. Canada was already on a similar course.

Meanwhile, many of the countries invited to the conference were indulging in an unseemly scramble to secure oil supplies at any price through the very bilateral processes that Dr. Kissinger had condemned.

It soon became clear, as the conference opened, that there were resentments on both sides.

One issue, in which Canada was briefly involved, concerned the sharing of energy supplies. There was a clear interest among some of the delegates in Canada's role as an energy "have" nation, evidence of which turned up in remarks by Dr. Kissinger, the U.S. Federal Energy Administrator William Simon, the Japanese Foreign Minister Masayoshi Ohira and

the German Finance Minister Helmut Schmidt, as well as Mr. Jobert.

The Canadian delegation went to some length — even to the expression of some exasperation — to disabuse both correspondents and conferees of the notion that Canada was some sort of energy cow, enjoying unlimited grazing, to be milked to feed the rest of the world.

There was also a notion, very forcibly expressed by Mr. Jobert in the text of a speech he never actually delivered, that Canada and the United States might use their intended self-sufficiency to retreat to energy isolation, leaving everyone else to the mercy of the unpredictable Arabs.

The Americans went a long way to allay such fears by issuing a firm declaration that they were prepared not only to share the benefits of U.S. technology but also, if necessary, the wealth of U.S. resources. While Canada pledged full cooperation in all other endeavours, it did not go quite so far as to commit any resources; indeed, there was a conscious effort to minimize the potential of such resources, especially Alberta's oil-sands, which both the Japanese and the Americans have been eying.

This was about the only specific in energy policy that aroused the collective interest, and it soon passed, to become overshadowed by the main event — the European phenomenon.

Early in the proceedings, a Canadian official remarked that there seemed to be a French position and a European position. As time went on, it became increasingly difficult to see how the two could coincide, let alone meet the requirements of an all-inclusive communique.

Jobert's influence

It was late on the first day when Mr. Jobert threw away his prepared speech and spoke in terms that managed to antagonize both European colleagues — especially the Germans — and the Americans. From that point the conference developed into a testing-ground for the strength and unity of the nine members of the Common Market and for their collective relationship with the United States.

It was not quite as clearcut as the numbers may suggest — 12 to one, or France against the rest. There were some doubts along the way that some of the Europeans were not entirely displeased with the way Mr. Jobert kicked up his heels. And outside Europe the Japanese, completely dependent on imported oil and, more than anyone, anxious to avoid a confrontation with their Arab suppliers, were content to relax and allow the Westerners'

squabble to absorb the spotlight.

Through its second day, the conference became a forum for the European Common Market, as the Nine held caucus after caucus. Twice, Dr. Kissinger attempted to use his personal charm to win over the exuberant Mr. Jobert — at a publicized meeting that held the entire conference in suspense and at a secret late-night call on the French Embassy.

Despite Dr. Kissinger's eminent bulk, the diminutive Mr. Jobert established himself as *the* personality at the conference. He teased, he provoked, he spoke in riddles and allegory.

It was after the daytime session with Dr. Kissinger that Mr. Jobert gave reporters his first interview — five words in the midst of a stampede down the foyer of the State Department, in which flags and barriers went flying. "Ce soir, non. Demain, peut-être," he declared. And that was a fair summary of the French posture throughout.

Mr. Jobert held two press conferences at which he delivered such classic lines as "The answer is, that is the question,"



UPI photo

French Foreign Minister Michel Jobert, a central figure at the Washington Energy Conference in February, is seen at a conference session. The delegates from the nations represented, with France opposed, agreed on the need for a comprehensive action program to deal with energy problems.

when asked if France could agree to a final communique. And "My eyes are focused on the blue Vosges, rather than on a mirage in the desert", when asked what made France's position seem inflexible. And "I shouldn't like to be left out in the cold if there was a possibility of being heated", in answer to a remark by Mr. Macdonald about France becoming isolated at the conference.

Although it was sometimes difficult to discern the line of Mr. Jobert's logic, or to pierce the mystique of his language, the

concern about antagonizing the Arabs and about U.S. domination of Europe was legitimate enough. What was surprising was that this conference should have been chosen as the locale for such a full-scale, near-public struggle on the subject of the latter.

The Europeans laboured night and day in their caucus, to resolve these difficulties and to draft a joint communique. They were unable to do either.

The working draft for the conference communique became the proposal of the

A special session of the United Nations General Assembly convened to study the problems of raw materials and development adjourned on May 2 after adopting three resolutions designed as a blueprint for coping with global economic problems. The resolutions, adopted without a formal vote, included a Declaration of Establishment of a New International Economic Order; a long-range action program formulated to implement the declaration and a special emergency program approved as a way of easing the difficulties of those less-developed nations hardest hit by increases in prices of essential imports such as food, fertilizers, energy products and capital goods.

The special session was initiated by a number of developing states led by Algeria. The resolutions adopted at the close of the four-week session were essentially along the lines put forward by the Third World bloc of nations, although they were amended in committee discussion.

The declaration committed the UN to work toward creation of a new international economic order based on such principles as the sovereign equality of states; inadmissibility of the acquisition of territories by force; full participation by all countries in the solving of world economic problems; "full permanent sovereignty of every state over its natural resources and all economic activities..."; the right of all states to restitution and full compensation for the exploitation and depletion of, and damage to, the natural and all other resources of those states; a just and equitable relation between the prices of raw materials, primary products, manufactured and semi-manufactured goods exported by developing countries and the prices of raw materials, primary commodities, manufactures, capital goods and equipment imported by

them; and facilitating the role producer associations may play, within the framework of international co-operation, and in pursuance of their aims, assisting in promotion of sustained growth of the world economy and accelerating development of developing countries.

The action program embraced a series of proposals for recovery, exploitation, development, marketing and distribution of natural resources, particularly those of developing nations; measures to meet the growing problem of food shortages; efforts to improve the terms of trade for developing countries; guidelines for reform of the international monetary system; measures to encourage industrialization of the developing countries and to foster transfer of technology to them.

The special program aimed at assisting the least-developed states provided for a 12-month emergency-relief operation and creation of a special development-aid fund under UN auspices through voluntary contributions from industrialized countries "and other potential contributors". The emergency plan is aimed at maintaining "unimpaired" essential imports to those developing nations affected. Industrialized states and other potential contributors were invited to announce their contributions for emergency assistance or indicate their intention to do so by June 15. The resolution called for the special development-aid fund to begin operations by January 1, 1975, at the latest.

In a statement made after adoption of the resolutions, Canada said it had joined in the decision because of firm support for the basic objectives of the session, but the Canadian delegation voiced certain reservations about elements of the three-part aid "package".

nited States, consisting chiefly of the points raised by Dr. Kissinger in his opening speech.

The end result was a well-watered version, suitably general, suitably vague, and dotted with French asterisks. There were, in all, six paragraphs that France did not "accept" in the seven-page final communiqué. These dealt with co-operative research and development programs, specific financial proposals, further conferences involving consumers and the allocation of reparations for a producer-consumer conference to a follow-up co-ordinating group.

It was the establishment of the follow-up group that had constituted France's main objection through the earlier sessions. France was satisfied to leave subsequent action to existing institutions, and in particular the OECD, in which it has additionally played a leading role, as well as the United Nations, where protracted debate can be expected.

As it happens, the OECD has played a major part in the follow-up work after the Washington conference, and France cannot yet be accused of shirking its responsibilities in that organization. So, too, have the other existing institutions, the International Monetary Fund and the World Bank. The only activity France has continued to avoid is direct participation in the working group established at the insistence of the United States to discuss technical questions and to plan further conferences. This group has been meeting in Brussels, where, after some initial acrimony, the United States appears to have adopted a low-profile role. In time, the Americans hope, the French will come around.

Differences unresolved

The main differences between Europe and the United States, however, have not been resolved. Recriminations continue to fly back and forth across the Atlantic. The outlook for the Common Market is far from clear, too. Still to be seen is the effect of the change of government in Britain, where Labour, with anti-Market and pro-inflation leanings, is back in power.

Reaction to Mr. Jobert's performance in Washington has ranged from polite understatement by External Affairs Minister Michel Sharp — "I think they (the French) — came to the conference rather reluctantly" — to the unprintable remarks of some U.S. observers. One diplomat at the conference put it this way: "If the art of diplomacy is making friends among countries, the French foreign minister must be going about it in a very strange way." *Le Devoir* of Montreal called

Mr. Jobert "one of the most disagreeable personalities who has appeared on the diplomatic scene in a long time".

Be that as it may, Mr. Jobert remains very much on the scene, and in coming months his presence will undoubtedly be felt with France taking over from Germany the presidency of the ECM's Council of Ministers.

Mr. Jobert's Washington behaviour might be characterized as an ill-mannered perpetuation of the spirit of Charles de Gaulle, but it might not have been entirely detrimental to the impact of the conference, limited as it was.

Ill feeling vented

So far as Europe is concerned, the exposure of both internal and external differences may be less damaging than if they had been left to fester beneath the skin. A lot of ill feeling has been vented. Perhaps the magnitude of the problems of Europe is greater than was anticipated. Certainly it goes far beyond energy; energy was the dramatizer. Major questions of European security and of economic liaison have been exposed and the fact that the attention of the United States has at last been riveted in that direction is not unwelcome. If there has been in the recent past neglect and lack of consultation, it is not confined to one side of the Atlantic.

Dr. Kissinger and President Richard Nixon have both blown off some steam. Yet it has not been suggested that they have abandoned the tenet expressed by Dr. Kissinger, in his post-conference meeting with reporters, that "the U.S. considers the Atlantic relationship the pivot of its foreign policy".

The United States is now apprehensive about a European initiative to negotiate directly and *en bloc* with the Arab oil-producers, even though Dr. Kissinger recognized without objection such a possibility during the conference.

Still, he must know that, in the long run, such a move would be limited by the vast economic and strategic power of the United States, both in Europe and in the Middle East. In fact, any conference between consumers and producers is probably a long way off, despite the early deadline suggested by Dr. Kissinger in February.

Besides, there have been other developments. How much the Washington Energy Conference contributed to such developments is difficult to surmise. Mr. Sharp maintained that "I don't see how the world's attention could have been brought to the nature of these problems had it not been for a conference of this kind".

This is perhaps a slight overstate-

*Move limited
by U.S. power
in Europe
and Middle East*

ment, but at least the differences with France at the conference have in a sense constituted a message to the Arabs that there was less than a united effort to confront them; as a result, a delicate situation has not been polarized. The Arabs are keeping their options open, but there are signs of a somewhat more responsible line than they have been credited with in past decision-making.

The major development has been the lifting of the Arab embargo against the United States announced on March 19, with cautions that it was conditional and temporary. But this was followed by the suggestion from Saudi Arabia, the biggest oil-producer, for an increase in production, which would inevitably tend to lead to lowering of world prices.

The Arab producers have also commissioned a series of studies on pricing and its impact on the world economy. It is possible that future policy might be based on the results of such studies, together with progress in negotiations on a Middle East settlement, although this is probably a long-term prospect.

Arabs keep options open, but indications point to 'more responsible line'

At the same time, progress is being made by the World Bank, the IMF and the OECD, which are making real efforts to cope with the troubling economic consequences of continued high prices for the less-developed countries. Iran has set a billion-dollar example to the other oil-producers with its offer to assist the financial institutions.

It is arguable that progress might have been as rapid even if there had been no Washington conference, as the institutions involved were already holding active discussions. But perhaps they might not have moved quite so quickly, or decisively, without the Washington cauldron bubbling over with national fears and rivalries.

There does, of course, remain much uncertainty about the two crucial problems with which the conference never came to grips — the price and supply of oil. But at least the conference does not seem to have exacerbated the situation. It did, obviously, exacerbate the situation in Europe but the long-deferred "Year of Europe" was overdue and may now, thanks to an energy conference, be upon us.

UN's special session and the Canadian response...

In a statement made by External Affairs Minister Mitchell Sharp on April 11 at the special session of the United Nations General Assembly, Canada identified three key elements in the current global economic situation. These were the problem of food for those in greatest need, the effects of high energy costs, and the impact of inflation on the international trade and payments system.

The special UN session was convened with the objective of working toward a more equitable distribution of the world's economic resources and finding means of accelerating the rate of development in less-developed nations.

Mr. Sharp said the world food problem could not be met by the exporting countries alone. "It requires concerted action by all those countries able to contribute and firm support for existing mechanisms". On energy, the minister said Canada favoured an orderly framework for world trade in oil, which would provide for stable prices at a reasonable level. Such a framework, he said, would reflect the cost of bringing in new conventional and non-conventional sources of energy in order to meet rising demand. Dealing with the impact of inflation, Mr. Sharp said urgent international action to meet the situation must include the liberation of trade arrangements, growth of development assistance, and "the systematic

and progressive reordering of the monetary system in the International Monetary Fund". . . .

The Canadian Government had reviewed its own commitments, Mr. Sharp told the Assembly and, subject to Parliamentary approval, intended to take steps to alleviate the situation of the developing states most seriously affected. Among the steps cited by Mr. Sharp were these:

- A Canadian contribution of \$276 million to the Fourth Replenishment of the World Bank's International Development Association;

- approval of an additional allocation of \$100-million in aid funds to meet emergency needs in developing nations;

- reassessment of Canada's entire development-assistance program to ensure that aid is directed to those in greatest need;

- pressure for full use of established international institutions such as UN and World Bank bodies in supporting development;

- a decision by Canada to bring into effect on July 1, 1974, its system of generalized tariff preferences in favour of less developed countries;

- the intention to co-operate fully with other countries in needed adjustments to the international trade and payments system, in matters of commodity trade and in reduction of trade barriers.

Growing pressures on Canada to seek hemispheric identity

by John Harbron

For too long, Canada through its history and public policy has denied its existence as a nation of the western hemisphere. The Pan-American Union, the predecessor international hemispheric body to the Organization of American States, was not for us.

Among other reasons, the expression "Pan-American" had little to do with our strong European roots, or so our political leaders and thinkers had insisted.

The "inter-American system", that phrase beloved by several generations of U.S. Congressmen and continentalist-thinking Latin American intellectuals, was not too much for us. We would remain more European than American, continuing to emphasize our destiny with two global commonwealths not of this hemisphere, the British one and the more recent Francophonie community.

But harsh political and economic events in Latin America during 1973 in Chile and Venezuela have ended that tendency to hemispheric isolation. For better or worse, Canada will not again deny its geographic place in its own hemisphere.

The oil crisis of the fall of 1973 and Canada's reliance on Venezuelan crude oil imports reminded us as never before how much we counted on our fellow democracy at the far shores of the Caribbean to help keep Eastern Canadians warm and the Montreal industrial complex supplied with much of its oil.

Regardless of how high the Venezuelans continued to push the price of their oil, Eastern Canada might have gone cold and dead in a few weeks if that oil had not been pumped into Quebec refineries.

Refugee of Chile

A Chilean refugee of 1973, the newly-created political exile of the shattered and freely-elected Marxist regime of Salvador Allende, clamoured for shelter in Canada, one of the few democracies remaining in a hemisphere of nearly 30 dependent states.

The same refugees sought from us an understanding of their plight and of their social democracy, now ended, something which we had largely ignored although Chile's own Europeanized society and highly-developed middle class paralleled our own.

These were hard lessons of hemispheric co-existence to learn. In fact, Canada is still learning from them. Where Venezuela is concerned, Canada appears to be borrowing the format of that country's state oil corporation in the formation of its prospective national petroleum corporation.

Nevertheless, they proved to us again that we somehow never want to move from one level of national awareness to another without some kind of external push.

Our twentieth century suspicions of Pan-Americanism and the inter-American system are well founded in history. Better that we deal with the British Empire we knew (easing us into full nationhood by permitting Canadian signatures to the great powers' peace treaty in 1919 and signing the 1931 Statute of Westminster) than with the American Empire of republicanism which we still mistrusted.

As for the more remote institutions of Hispanic and Portuguese America, they revealed themselves for what they were, unstable mechanisms manipulated by "hard hat" military rulers and corrupt civilian presidents. Or so we had convinced ourselves.

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As a result, the modern Latin American experiments with genuine social revolution (Mexico), building social democracies (Chile, Uruguay and Venezuela), defining hemispheric roles from a base of vast natural resources and sea coasts (Brazil) have largely escaped us.

To borrow any kind of model in the nation-building process from a hemisphere plagued with military coups, poverty, revolution and instability would be incongruous. To believe another democracy in the hemisphere resembled our own would be, to say the least, intellectual licence.

Our ignorance of Chile would at last plague us. For years Canadian scholars, businessmen and government officials assigned to duties, signing contracts or studying in that remote, mountain-isolated South American democracy had told us that Chile, like Canada, remained a social democracy in a hemisphere of mainly totalitarian regimes.

A historic Chilean middle class of identifiable (to us) professional men and women, *entrepreneurs*, college professors, doctors, management élites and government officials had maintained one of the few free societies in Latin America.

Isolated from us by distance, by the Spanish language so few Canadians still speak, a country cut off from the rest of South America by the spine of the high Andes which makes up its 1,800 mile border, Chile finally pursued a tortuous course into Marxism and then calamitous military rule. Chile's travail in 1973 would affect us in spite of ourselves.

The Chilean and his family who had served or sympathized with a Marxist government faced immediate persecution. Though they were clearly identifiable bourgeoisie, good citizen potential and not unlettered coolies or jungle tribesmen, their need for sanctuary and their condition confused even angered Canadians officially and otherwise.

Clash of pressure groups

Domestic social groups, mainly from the political left and with their own private irons in the fire where the Chilean crisis was concerned, demanded immediate entry of as many Chileans as possible without worrying about their politics.

Other domestic pressure groups from the right cautioned gloomily against the inroads of potential subversives, reminding fellow Canadians that, even within the former Allende camp, the seeds of its own destruction already lay with the guerrilla groups supporting Allende who had been ready to unseat him if the army had not done so first.

Canada recognized the military junta in Chile with inordinate haste, considering the brutality of its methods and the speed with which it destroyed traditional Chilean democracy.

The Government took some time to make up its mind what to do about the refugees. Screening teams sent to the Canadian Embassy in Santiago with only the most cursory knowledge of the labyrinthine ideological allegiances of the Chilean political left would sort out "the political desirables from the undesirables as we saw fit.

Yet the Chileans have been permitted entry into Canada and are still arriving their well-being taken up by the state on arrival and thereafter by quickly-formed private groups among academics and professional associations who have established Chilean relief committees.

The Chilean experience has been a revelation to Canadian officials and Canadians generally that a refugee crisis originating in this hemisphere would be just as heart-rending for the victims, just as demanding on our hospitality and coruscations, and need the same understanding from government and the public, as those earlier ones in Europe and Africa which had brought Hungarians, Czechs and East Indian Ugandans to our shores.

Contact with Venezuela

We learned other lessons from the Venezuelans. Our great reliance on Venezuelan oil and some fresh suggestions from the Venezuelan Government to ours brought the first visit by a senior Canadian Cabinet Minister to Venezuela in more than 40 years and an essential firsthand look by him at a now familiar state agency throughout Latin America, the state oil corporation.

During the fall of 1973, Hugo Pérez la Salvia, the former Venezuelan Hydrocarbons and Minerals Minister made clear to the Canadian Government that Venezuela would prefer to deal with Canada on international negotiations concerning oil supply through an agency of the Canadian Government similar to its state oil company.

The CVP, (Corporación Venezolana de Petróleo — Venezuelan Oil Corporation), was the kind of state agency often shunned in the Canadian experience building the mixed economy as being an unnecessary intrusion by the state, in this instance within the largely foreign-owned oil industry.

Canadian Energy Minister Donald Macdonald heard the suggestion from Pérez la Salvia during his quick stop-over

'Our ignorance of Chile would at last plague us ...'

Caracas in mid-October on his return from representing the Canadian Government at the inauguration of Argentine President Juan Domingo Peron in Buenos Aires.

CVP model

Now Canada is apparently going to have a national oil corporation whose initial activities within the Canadian oil industry will not be much different from those of the CVP at the present time. These include international negotiations for oil imports, its participation in exploration and drilling in the so-called frontier regions, possible construction of a shipping service for oil discoveries in such remote Arctic areas as Ellesmere Island, for example, justify such state sea-transport facilities.

Venezuela's CVP has just begun a state tanker fleet to move crude oil and manufactured petroleum products within that country's coastal waters.

Although the Canadian Cabinet had investigated the need for a state oil corporation before the Venezuelan proposal, the Venezuelan model was the correct one for us because their CVP (so far) has not massively intervened in the oil industry, which, as in Canada, is dominated by the same American and British-owned multinational oil giants.

With the crisis over sources and prices of Venezuelan oil, we were reminded that Venezuela, not the currently tough-talking Arab member nations of OPEC (Organization of Petroleum Exporting Countries), was the originator and founder in 1960 of that present all-important international agency. It is OPEC which has increased world crude-oil prices to record levels and through which the temporary Arab oil-export embargo on the United States and part of Western Europe was instigated last winter.

For us, Chile had a humanitarian message, Venezuela an economic and nationalistic one. The first dealt with the social justice we have often preached as being essential to the Canadian national experience. The second has been a reminder that economic nationalism is not a dangerous or lonely road to pursue and that other nations are attempting it without complete nationalization of foreign-owned industry.

More hemisphere oriented

At the same time, without these kinds of stimuli from the hemisphere at an earlier date, Canada since 1968 has become more "hemisphere-oriented" in its foreign policy and less directly committed to Europe especially in defence than ever before.

Since Prime Minister Pierre Trudeau

won his first election in June 1968, he has used inter-disciplinary phrases, not unfamiliar to many Latin American intellectuals and politicians, to move Canada into policy and legislative directions not attempted before.

Before the October 1972 election, Mr. Trudeau said again in a Toronto speech the three frontiers of Canada would be technological, geographic and social and that we must have "a will to hold them together".

Those geographic frontiers had already been given new priority in the Prime Minister's foreign policy statement made in April 1969. These place national development, sovereignty protection and surveillance at a very high level, automatically giving new directions to one of Canada's important state institutions.

This was and is our armed forces, whose role in the 1970s and beyond would become more involved with Canada's hemispheric security and defence and less so with NATO's land and sea commitments.

The technological frontier would be related to the 1970 unilateral declarations of a 12-mile territorial-waters limit, 100-mile sanitation zones around Canada's Arctic islands and an Arctic waters pollution-protection act adopted by Parliament.

Manhattan's voyages

Both environmental and sovereignty concerns were paramount in these declarations as well as in the act, following the two voyages of the American supertanker *Manhattan* through the Northwest Passage in 1969-1970. Those trips resulted in our renewed fears that the United States would re-emphasize the Northwest Passage as an international waterway along which supertankers might move freely with the staggering risk of permanent ecological damage to the Arctic from a large oil spill or ship disaster.

Emphasizing Canada's sovereignty over Arctic islands would assure Canada's control over future resources exploration of the kind soon to be assigned to the forthcoming national oil corporation.

The continued welfare and health programs, begun in the early 1960s and advanced by both Liberal and Conservative Governments and the growing state concern for indigenous populations are both directions which our Latin American neighbours would understand, especially those like Mexico, Peru, Colombia and Bolivia with large Indian communities.

As a result, Canada has come a long way from the years when we remained close-mouthed but inwardly unhappy

*Initiatives
on sovereignty,
other programs
seen as steps
understood
by neighbours
in Latin America*

about the inadequacy of our former three-mile territorial waters limit but afraid a unilateral declaration extending it would anger Washington.

Canadian officials now speak out publicly in support of the 200-mile territorial-waters extension which, in the case of Chile, Peru, Argentina and Brazil, has long since become public policy.

When asked about this in Mexico City during the January 1974 Canada-Mexico Ministerial Meeting, an idea put forward by External Affairs Minister Mitchell Sharp after his 1968 Latin American tour, Mr. Sharp said: "We in general support the idea of a 200-mile limit, but we are not satisfied that this would be sufficient with respect to fishing over the continental shelf, for example, which extends beyond two hundred miles... we express our ideas a little differently [than the Mexicans] but they amount to very much the same thing..."

Meantime Canada's more visible and publicized presence in the hemisphere through its membership in the Inter-American Development Bank and its official observer role in the Organization of American States has continued largely unchanged in the last two years since Canada joined the Bank and accredited an official observer to the OAS with the rank of ambassador. The \$74-million made available to date to the IADB has been completely lent out and such aid is tied to Canadian purchases. The most recent aspect of Canada's involvement in the Bank has been the agreement by Ottawa to administer a special \$1.5-million fund to finance preparation of development projects in its member Latin American countries.

Canada's official reasons for not seek-

ing full OAS membership remain the same as in earlier years. Ottawa says the OAS is in a state of disarray and uncertainty as an international agency, as though NATO and even the United Nations, were not.

During the Mexico City Ministerial Meeting of late January 1974, Mr. Sharp cited as a factor in Canada's stance outside the OAS framework the tendency of that body to divide the region — the hemisphere, that is — between the United States on the one hand and Latin America on the other. Another concern voiced by Mr. Sharp was the continued exclusion of Cuba as a member state of the OAS.

A few months later in Moscow, Mexican Foreign Minister Emilio Rabasa suggested what previous Mexican foreign ministers had said about Canada, Cuba and the OAS: he felt both Canada and Cuba should become OAS member states. Like Mexico, Canada has maintained unbroken trade and diplomatic relations with Fidel Castro's Cuba, not for any discernible ideological reasons but out of self-interest. Canada needs Cuban sugar. Cuba needs our industrial equipment and technological expertise.

Surely at a time when Cuba is slowly returning to normal activities in the Caribbean, the presence of Canada and Cuba in the OAS, or whatever future international agency will exist to serve the hemisphere, could only be beneficial.

Assessing Canada's approach

Given Canada's growing direct association with Latin Americans through trade, the Inter-American Development Bank, the close relationships of students through CUSO assignments and private study arrangements within Latin American societies, Canada's official arms-length

The Canadian Government is providing assistance to the Canadian Association for Latin America (CALA). External Affairs Minister Mitchell Sharp announced in January a contribution of \$45,000 to help CALA expand the scope of its activities and the size of its membership as a complement to efforts by the Federal Government to improve Canadian relations with Latin America.

CALA was created in 1969 in order to co-ordinate and enhance the activities of Canadian businesses, industries and individuals with Latin American interests. CALA, which maintains an office and information centre in Toronto, has fostered creation of the Mexican-Canadian Bilateral Businessmen's Committee and CALA proposes to organize

similar committees with other countries of the region.

In 1973, CALA organized a series of seminars in Canadian cities in order to stimulate Canadian interest in Latin America. CALA arranged a Toronto conference for Latin American businessmen and officials in June 1974, and is planning a reciprocal conference in 1975 in Latin America designed to introduce Canadian firms to the opportunities in the region.

In announcing the government's contribution to CALA, Mr. Sharp said it was becoming increasingly clear that if Canada were to expand and diversify its exports and interests, Latin America must be one of the principal areas of endeavour.

relationship with the OAS, by comparison, confuses and undoubtedly also amuses many Latin Americans.

The former Venezuelan Foreign Minister, Dr. Aristides Calvani, a respected hemispheric jurist and leading Christian Democrat, still sees Canada living in "splendid northern isolation".

"We are getting to know the Canadians," remarked an OAS official who had helped to negotiate Canada's permanent observer status in that organization.

"They are cautious and unadventurous, but on the whole progressive and reliable...."

A few years ago a distinguished Canadian commentator on international affairs observed that because Canada is situated in the same hemisphere as the Isthmus of Panama, Canada shouldn't develop a sense of sanctity about it.

Sanctity indeed no. But identity with our hemisphere, yes.

The new foreign policy thrust in Peron's troubled Argentina

By John Best

When Juan Domingo Peron returned to Argentina last year after an 18-year army-enforced exile, many of his countrymen welcomed him as a redeemer, who would deliver their troubled land from an array of complex, long-enduring difficulties.

It has not worked out that way. Eleven months after Peron reassumed the Presidency, Argentina seems engulfed in its many problems, foreign and domestic, as ever.

On top of everything else, the President's own health is not good, and many Argentines have begun to wonder about his ability to carry on effectively. He has not exactly gone out of his way to reassure the public about his condition, saying on more than one occasion that he is about as well as could be expected for a man of 78.

The President's wife, 35 years his junior and a novice in state affairs, is first in line of succession to the top job should anything happen to her husband, since she is the Vice-President. This, too, is a source of anxious reflection among those concerned about the country's stability.

Meanwhile, the internal tranquillity that the nation craves is being pushed progressively farther from its grasp by a vicious, undeclared war between right-wing and left-wing factions, with bombings, murders and other violent acts a daily occurrence.

This is not to say that the country and everybody in it are gripped by strife and tension. Far from it. In Buenos Aires, for example, a visitor might never know of the conflicts eating away at the country's

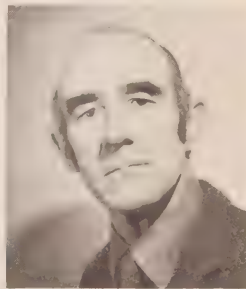
social and political fabric if he did not read the provocative wall-posters and the newspapers. Life in the European-style city, with its numerous sidewalk cafes and fine restaurants, seems calm enough on the surface.

Expectation belied

The deeper picture, however, is not a pretty one — not one that would fit the expectations of the hundreds of thousands of Argentines who turned out at Buenos Aires airport one day last summer to welcome the would-be saviour Peron back from his long exile in Spain.

But then, if those welcomers believed in portents, they might have figured out for themselves that trouble lay ahead. Even as the excited mass of people waited for a glimpse of their elderly idol, there was a "shootout" between rival factions — the exact circumstances still have not been fully disclosed — resulting in the deaths

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of dozens of persons and the wounding of dozens of others.

Juan Peron lost no time, after his return, in getting rid of the man who had paved the way — Hector Campora, the onetime dentist elected President himself only a few months previously on a platform of bringing back the exiled leader.

Campora was forced to resign and is now serving as Argentine Ambassador to Mexico. New elections were called, with the army bowing to the will of the people and letting Peron himself be a candidate whereas previously he was barred. In an



AP wirephoto

Juan Peron speaks to the nation in a July 1973 telecast after the resignation of Hector Campora as President had been accepted. Peron, who had returned to Argentina after an 18-year, army-enforced exile, became a candidate for the Presidency and was restored to power in the subsequent elections.

astonishing display of political power, he won 61 per cent of the popular vote and was back in office.

The restored President quickly declared war on left-wing extremists, who have been responsible for most of the numerous kidnappings of foreign businessmen and prominent Argentines that have occurred in recent years.

He has carried his campaign to the point where leftist elements in his own broadly-based political movement have begun to doubt his impartiality. They ask when he is going to start cracking down on the extreme right and its murder squads that specialize in hunting down and liquidating leftists.

Feeling the heat more and more, and increasingly isolated, the extreme left

nevertheless seems to grow stronger, or at least more audacious. A few months ago the People's Revolutionary Army, be organized of a number of Marxist underground groups, assaulted a key military base and held it for seven hours, killing the commander and his wife in the process.

More recently, it scored a sensation coup by obtaining more than \$14-million a world record, in ransom for the kidnapped Exxon executive Victor Samuels. And it still holds half a dozen other foreign businessmen as hostages.

The campaigns of terror and counter-terror, coupled with the political and social conflicts which they foster and which in turn help to fuel them, make it harder for President Peron to devote his attention to anything beyond trying to keep order in the country.

Some say that, far from gaining the upper hand, he is actually losing control of the situation, and that the immediate outlook therefore is for increasing chaos. The late-February rebellion of the police at Cordoba, which witnessed the jailing of the leftist provincial governor, his deputy and about 70 supporters, hardly disproves this notion, though the President's decision to place the province under federal trusteeship created a suspicion in some people's minds about the possibility of government complicity in the revolt.

The fact that Juan Peron is not a young man — he is known to have had at least two serious illnesses since taking office in October — adds to the disquiet about the way things are moving.

Heir apparent

The heir apparent to the executive power is Peron's third wife, Maria, a former dancer whom he met while in exile. She is a comely brunette, still highly photogenic at 43, but a newcomer in the realm of national affairs.

Some observers insist she has learned a thing or two about politics, however, and she is reputed to have strong ties with the conservative wing of the Peronist movement.

The feeling is nevertheless widespread that, should the Presidency ever fall to her, the contending forces currently at work might get further out of hand, threatening the country with all-out civil war. To prevent this, so goes the theory, the army might decide to step in as it has done before.

Such a prospect is not without appeal for certain groups, including some of the business class, who see it as the best way out of the present turmoil and a guarantee of some future semblance of stability.

It would be unlikely to provide anything like a final solution to the problem of terrorism since, with its arch-enemy the military back in power, the far left could well be stirred to still greater violence.

Impact on economy

The present state of interest and per-
vading uncertainty about the future has
had its inevitable adverse effect on the
Argentine economy. The country has for
some time been a sick man economically,
especially considering its rich potential.

Growth of the gross national product
has hovered around an annual rate of 3
or 4 per cent for a number of years, al-
though last year it crept up to 4.8 per cent,
or a GNP of around \$31-billion.

Inflation, which reached 39 per cent
in 1971 and 58 per cent in 1972, was
around 30 per cent last year, but this year
government economists hope it will be
lower to 12 per cent. Their hopes may be
unrealistic.

The problem of growth is com-
pounded by what the newspaper *La
Prensa* calls an "official prejudice" against
foreign investment. The Government does
not bar foreign capital, but it does impose
stringent controls, a product of what the
newspaper described editorially as "narrow
nationalism". *La Prensa* calculated that,
if Argentina had welcomed foreign invest-
ment to the same extent as Canada did in
the period of 1953-69, its GNP would now
be 46.6 percent greater than it is.

If Argentina's domestic situation can
exercise a kind of fascination for the out-
side observer, trends in the country's for-
eign policy are just as absorbing. In this
field, a number of cross-currents are at
work, including President Peron's deter-
mination to exert his independence of the
United States and, more notably, concern
about the rising power of Brazil.

A look at the map shows why Spanish-
speaking Argentina, long the power to be
reckoned with in South America, is con-
cerned about the booming pace of develop-
ment in its Portuguese-speaking neighbour.

Brazil's challenge

Brazil, with its more than three million
square miles of territory, occupies half the
land area of South America and its hulk-
ing mass seems to dominate the whole
continent. It has common borders with all
the other Latin states of South America
except Chile and Ecuador, and is begin-
ning to exert its economic influence in
a number of them, notably Peru and
Uruguay.

Argentina, though it enjoys a far
higher level of development than Brazil at

present, and at \$1,250 annually has
double the *per capita* income, is only one-
third the size of Brazil in area and less
than one-fourth in population. Neither,
though blessed with an abundance of re-
sources, does Argentina have the great
treasure chest of untapped natural riches
believed to exist in Brazil's immense, still
largely unexploited hinterland.

Faced with Brazil's implicit challenge,
the Government of Argentina has chosen
to adopt a low-key attitude. Authorities in
Buenos Aires, for example, attempt to pass
off the phenomenal Brazilian economic
growth (9 per cent or more for five con-
secutive years, 11.4 per cent last year) as
something that might be expected in a
relatively primitive economy but unthink-
able in an advanced country like Argen-
tina. They express doubt, which strikes
one as being part prayer, that Brazil's
momentum can be sustained much longer.

Nevertheless, there is evident concern
in Buenos Aires over the rising power and
influence of Brazil. It is reflected in some
degree by a campaign to double the coun-
try's present population of 24 million to
50 million by the year 2,000 and thus keep
pace, at least in proportional terms, with
Brazil, whose population is expected to
double in the same period to around 200
million. The Argentine Government is
worried about the country's slow rate of
population increase: 1.4 per cent last year
compared to 2.7 per cent in Latin America
as a whole. To help solve the problem,
strict controls were recently imposed on
the sale of contraceptive pills.

Little outward friction

So far, although the two countries have
engaged in a certain amount of shadow-
boxing, there is little outward friction
between them.

Some observers thought it possible
that President Peron would attend the
recent inauguration of Brazil's new Presi-
dent, General Ernesto Geisel. But he did
not show up; he sent one of his ministers
instead. Peronist supporters explained
that this was only fair, since General
Geisel's predecessor, General Emilio Gar-
rastazu Medici, stayed away from Juan
Peron's inauguration last year.

For Argentines, however, it was inter-
esting to note that three other heads of
government did attend the Geisel cere-
monials, all of them from countries where
the military are in control and neighbours
of Argentina. President Juan Bordaberry
was there from Uruguay; General Hugo
Banzer, President of Bolivia, attended;
and General Augusto Pinochet, head of the
Chilean military junta, also was on hand.

*Express doubt
that Brazil
can sustain
momentum
much longer*

*Other heads
of government
were present
for inaugural
of General Geisel*

These three, together with General Geisel, met in the course of the Brasilia celebrations to "consolidate their relations", as one dispatch put it. It is safe to say no outside power was more vitally interested in this meeting, about which no details were publicly disclosed, than Argentina, increasingly alert to the emergence of any new Latin American constellation with Brazil at its centre.

Thrust toward Third World

The growth of Brazil is at least partially responsible for a new thrust in Argentina foreign policy toward the Third World. This new orientation is illustrated by a wall-poster prominently displayed in downtown Buenos Aires showing José Lopez Rega, Minister of Social Welfare and President Peron's personal emissary, on a visit to the Libyan leader, President Muammar Gaddafi.

An inscription says the Lopez Rega mission to Tripoli, which among other things led to an Argentine purchase of a considerable amount of Libyan oil, was "a bridge of friendship between the Arab World and Latin America". Another proclaims: "Liberation begins with the union of the peoples of the Third World."

To deepen and strengthen its ties with the nations of Asia and Africa, Argentina took part in last year's conference of nonaligned states in Algiers. The payoff was swift and direct. With Third World support, Argentina was able to score a victory at the United Nations General Assembly on perhaps the thorniest issue in its bilateral relations with Brazil.

By a vote of 77 to five, with 43 abstentions, the Assembly, at its fall session approved a resolution calling for co-operation in the exploitation of natural resources shared by two or more states, "based on a system of information and prior consultation within the framework of normal relations existing between them".

The resolution reflected Argentina's resentment of Brazil for undertaking with Paraguay the construction of the world's largest hydroelectric dam, at Itaipu on the Parana River, which flows between the two contracting countries. The trouble is that the Parana, further south, also forms the border between Paraguay and Argentina, and Buenos Aires contended that Brazil, prime mover in the hydro development, should have consulted the Argentina Government before proceeding, something the Brazilians refused to do.

Brazil and Paraguay, needless to say, were among the five nations that opposed the resolution, the others being Bolivia, Portugal and Nicaragua. Paraguay and

Argentina, incidentally, have now undertaken another, more modest, hydro development in their sector of the Parana.

It would be misleading to suggest that Argentina's new-found fondness for the Third World is motivated entirely by desire to bolster its diplomatic position relative to Brazil.

It can also be seen as part of a wider design to increase its flexibility in world affairs generally and to avoid getting enmeshed too deeply in the U.S. sphere of influence. In the last year, the Government has resumed diplomatic and trade relations with Cuba, and has also opened diplomatic relations with North Korea and North Vietnam. Further, it has cultivated improved relations with both Western Europe and the Soviet Union. The impulse is rather similar to that by which Canada seeks to foster countervailing influence against the weight of the United States.

Argentina is pursuing its relations with Cuba with particular relish. The recently-publicized deal by which Argentine subsidiaries of U.S. auto firms would supply Fidel Castro's Government millions of dollars' worth of automobiles is but part of an arrangement that foresees \$1.2-billion worth of Argentine exports going to the Caribbean republic over six years.

Cuba pleased

The Cuban Government, for obvious reasons, was highly pleased with Argentina's decision to defy the U.S.-inspired trade embargo against Havana adopted by the Organization of American States in the early years of the Cuban revolution, when President Peron has called a "trade mistake".

At a meeting with an Argentine delegation in Havana on February 26, Cuban President Osvaldo Dorticos paid tribute to the "gesture of sovereignty and independence of the Government of Argentina having decided to break the trade block against Cuba".

In reply, Argentine Economy Minister José Gelbard said the presence of the delegation in Cuba signalled "the end of an unjust policy of economic freeze".

From one point of view, Argentina's active pursuit of better relations with the Communist world may be seen as some kind of sweetener for the left wing of the Peronist movement, rocked by the severity of their leader's crackdown on left-wing militants.

Judging by their increasingly sharp attacks against the Government, however, the bomb-throwing Marxist extremists themselves are not impressed.

*Wider design
to increase
its flexibility,
avoid getting
too enmeshed
in U.S. sphere*

The problems in providing aid to Canadians in trouble abroad

By J. R. Maybee

From time to time over the past year, the Department of External Affairs has been criticized in the public media for allegedly failing to provide effective assistance for Canadians who get into difficulties in foreign countries, or sometimes even for failing to take an interest in their plight. From the point of view of members of the Department, this criticism is often misdirected because it is based on inadequate information of the circumstances or on a basic misunderstanding of what the Canadian Government and its diplomatic and consular representatives can and cannot do to assist Canadians in difficulties outside the country. The purpose of this article is to explain the consular role of the Department of External Affairs in cases where Canadians are in serious trouble abroad.

The policy

Stated briefly, the principal purpose of the Department of External Affairs is to protect and promote Canadian interests abroad. This includes the protection and promotion of the interests of individual Canadians abroad as well as those of organizations, corporations and the various levels of government. There is no equivocation about government policy on this subject; in an address to the Faculty of Law of the University of Ottawa on March 22 of this year, External Affairs Minister Mitchell Sharp said:

"The Government and my Department attach very great importance to the protection of Canadian interests abroad and to the quality of assistance available to Canadians travelling or residing abroad. We shall continue to exert our best efforts to maintain and improve the excellent consular service they already enjoy".

Any foreign service officer will confirm that consular problems, because of their immediacy, usually command priority over almost any other type of business with which the Canadian post abroad has to deal. No matter what other urgent matters may also be his responsibility, the officer responsible for consular affairs cannot put

off the problems of a Canadian citizen in distress. To deal with them, he may have to postpone his scheduled visit to the Ministry of Planning or set aside the report he is drafting on energy policy.

Consular apparatus

Almost all the Canadian posts and permanent delegations abroad provide consular services in one form or another. The volume of consular business in some posts, such as the Canadian Consulate General in New York, the Canadian High Commission in London and the Canadian Embassies in Spain and Mexico, is very large indeed, and the consular sections of such posts comprise several officers and consular clerks. On the other hand, consular business is fairly light at the Canadian High Commission in Bangladesh, the Canadian Embassy at Brasilia or the Canadian Government office in Birmingham, England. At 104 Canadian diplomatic and consular posts and separately-located delegations, some 211 officers and 286 clerical personnel are engaged in consular work, the vast majority on a part-time basis. When added together, the time of all these people spent on consular work amounts to approximately 56 officer man-years and 124 clerical man-years at posts outside Canada.

In Ottawa, consular work is handled in the Bureau of Consular Affairs, staffed

Mr. Maybee, a member of the Department of External Affairs since 1946, was named Director-General of the department's Bureau of Consular Affairs in mid-September of last year. Mr. Maybee was Canadian Ambassador to Lebanon, Jordan and Syria before his return to a headquarters post in 1967. He served as head of the African and Middle Eastern Division and then became secretary of the Interdepartmental Committee on External Relations (ICER). Mr. Maybee contributed an article on ICER and its search for an approach to integration of foreign operations to the September-October 1972 issue of International Perspectives.

*Bureau provides
information
and advice
to the minister
on key cases*

mainly by rotational foreign service personnel, many of whom are already experienced in consular work at posts abroad. The Bureau comprises two divisions: Consular Policy and Research and Consular Operations. The latter, staffed by some 15 officers, deals with problems of assistance to Canadians in difficulties abroad, visa questions and general enquiries from the public.

The Consular Bureau provides headquarters direction to posts abroad on consular matters and, in collaboration with posts, provides a liaison when required between the Canadian citizen in difficulty abroad and his family, friends, and lawyer, as well as his bank or other concerned organizations in Canada. The Bureau provides information and advice to the Minister on important consular cases and maintains close liaison with the departmental Press Office on cases in the public domain. Because of the requirement for speedy action in consular cases, much of the Bureau's day-to-day work is done by telephone and telegraph.

The environment

Since the role of governments in protecting the interests of their citizens travelling or living in foreign countries is a time-honoured one, the rules of the game are pretty well defined, and have to a considerable extent been codified in the Vienna Convention on Consular Relations, which was drawn up at a large international conference in which Canada participated in 1963. Because the Vienna Convention on Consular Relations contains certain provisions that impinge upon the jurisdiction of the provinces in Canada, the Government of Canada has not yet become a party to it, though it hopes soon to be in a position to do so. Since the Convention embodies many long-standing concepts of international law and practice in the consular field, it is often used as a guide to which Canadian consular practice largely conforms.

While international practice recognizes certain functions a consul can perform in order to protect the interests of his fellow nationals, there is one fundamental limitation which, unfortunately, does not seem to be widely understood. This is the principle that the laws, customs and regulations of a country normally apply without exception to all persons within the borders of that country, including visitors and tourists. No matter how harsh or alien to our culture such laws may be, the Canadian consular officer can usually do little to prevent the laws of the country in which he is stationed from being applied to a

Canadian citizen. Most Canadians readily assume the converse to be the case, namely, that foreigners living or travelling in Canada are subject to Canadian law and regulations. But some do not always appreciate that, when a Canadian citizen is in a foreign country, he is fully subject to the laws and regulations of that country, as well as to the judicial procedures employed in the enforcement of those laws.

Before a consular officer can do anything for a citizen who has been arrested in a foreign country, he must usually first of all establish contact with the person detained. In order to establish such contact, he must have information to the effect that there is a citizen in custody, and usually an indication that that person wishes to make contact with him. The right of consular access is set forth in Article 36 of the Vienna Convention on Consular Relations, and is widely recognized in most countries, whether or not they are parties to the Convention. Many countries (including Canada) only recognize this right, however, where the individual detained asks the detaining authorities to inform his consul that he wishes to see him or requests permission to contact him directly himself.

Consular access can usually be arranged without difficulty where the police or prison authorities are familiar with international convention and practice on this subject. If, however, a person is arrested in a remote village of a large country, there may be real difficulty in persuading the police or prison authorities that he has the right to get a message to his consulate — a difficulty which can be gravely compounded if there is a language problem. Even when the right is recognized, the person detained may still have a practical problem in getting the message promptly passed either because of bureaucratic delays or poor communications facilities. In some countries where the police and prison organization is highly centralized, the authorities sometimes notify the consulate of the country concerned automatically when an arrest is made, whether or not the individual requests that his consulate be informed. This is the exception rather than the rule, however.

Once a consul learns that one of his fellow citizens is detained and wishes to see him, he will try to visit the person detained as soon as possible. This visit may not take place the next day, of course, particularly if the person is detained several hundred miles from the capital where the embassy or consulate is located, or if the consular officer has other more pressing business to attend to, such as arrang-

the evacuation to Canada of a hospital case. The consul's role from this point on is to ensure that the individual detained is not discriminated against, is accorded the same rights and conditions of detention and the same trial procedures as other foreigners and citizens of the country concerned.

The consul will determine whether the person detained wishes to retain private counsel and whether he needs assistance in obtaining funds from family or friends in Canada for this purpose. Otherwise, he will advise the detainee of the local legal aid facilities or the arrangements for court-appointed lawyers. If the person detained so requests, the consul will see to it that his family in Canada is informed of his circumstances and, if possible, that they make provision for food and comforts for the person detained, if these are required.

Delays in proceedings

One rude surprise for many Canadians who run foul of the law in a foreign country is to find that there may be no legal requirement which ensures that the authorities bring formal charges or bring a case to trial within a reasonably brief period. In some cases the individual may be charged without too much delay, but may languish for months in prison waiting for his case to be brought to trial. For some offences there is no provision for a person charged to be released on bail. If these are standard features of the judicial system in the country concerned, the consul has no basis on which to demand that a Canadian citizen be charged or tried any more quickly than citizens of that country. Informal representations can sometimes be made, though a local lawyer who knows the ins and outs of court procedures may, in many cases, be more effective than a consul in pressing to have a case brought to trial without too much delay.

Late in 1973 there was a good deal of public interest in the case of Thomas Serjeant, a Canadian citizen who had set out on a tour by private aircraft from England to South Africa, and who had been detained in Tanzania on September 26. The Canadian High Commission in Dar-es-Salaam did not learn of the detention until October 6 and officers of the mission were granted consular access to Mr. Serjeant on October 15. Mr. Serjeant was held under provisions of Tanzanian law which permit unlimited detention without charges for matters involving state security. On December 7, Mr. Serjeant was charged with an immigration offence and received a sentence of absolute discharge.

The complaint against the Depart-

ment of External Affairs was that the department was indifferent to Mr. Serjeant's plight and did not do anything about it. In fact, of course, the Canadian High Commission in Tanzania followed the case closely, and in consultation with the department made numerous informal representations to the Tanzanian authorities. The department's approach to this problem had to take into consideration three considerations: first, that, in view of the tense situation on Tanzania's southern borders, the security situation which apparently was the basis of Mr. Serjeant's detention was taken very seriously by the Tanzanian Government; secondly, that there was no basis for believing that Mr. Serjeant was being prejudicially dealt with because he was a Canadian; and thirdly — as the Secretary of State for External Affairs put it sometimes later in a letter to the press — "detention for a long period of time without charges is a procedure for which we have great distaste". In the light of recognized consular principles, there was no case here for formal representations to the Tanzanian Government, since Mr. Serjeant was being dealt with in accordance with the provisions of Tanzanian law. On the other hand, there was a basis for making representations of an informal character, based on considerations of humanity and natural justice.

Once the embassy or consulate has taken the normal initial steps to make contact with the detained Canadian, to assist him in getting legal counsel and in making contact with his family if he so desires, the post continues to monitor the case. Where feasible, the consul will visit the prisoner from time to time and may, where there are clearly-discernible extenuating circumstances or special considerations of health or family circumstances, make informal representations for transferring the prisoner to a different institution or for the remission of a sentence after part of the time has been served.

Lippert case

The kind of service the Canadian Government provides can be illustrated from the record relating to another case that attracted a good deal of attention last year — that of Ronald Patrick Lippert, who was arrested in Cuba on October 24, 1963, on a charge of arms-smuggling. The Canadian Ambassador in Havana was first informed of Mr. Lippert's arrest on October 30, 1963. He immediately requested consular access to him, which was granted by the Cuban authorities the next day, October 31. On November 4, the Ambassador was able to

Post continues to monitor prisoner's case; consul visit or submission may be made

arrange to see Mr. Lippert a second time, and the same day discussed with the Cuban authorities the nature of the charges involved and the details of the proposed trial. Also on the same day, the Secretary of State for External Affairs called in the Cuban Ambassador in Ottawa, expressed Canadian concern that Mr. Lippert be granted a fair trial, and requested information about the formal charges against him. The Canadian Embassy was informed on November 12 that Mr. Lippert's trial would take place four days later. Representations were made both in Cuba and in Ottawa about the imminence of the trial date, which was then postponed until November 23.

The Canadian Ambassador in Havana attended the trial, in which Mr. Lippert was found guilty and sentenced to 30 years imprisonment. On November 28, 1963, the Secretary of State for External Affairs called in the Cuban Ambassador and expressed the Canadian Government's shock at the length of Mr. Lippert's sentence. Subsequent formal representations were made on 35 occasions to the Cuban authorities, either by the Canadian Ambassador in Havana or by the Secretary of State for External Affairs to the Cuban Ambassador in Ottawa. There were also many less formal representations made to Cuban officials both in Ottawa and Havana. These representations involved requests for clemency for Mr. Lippert, requests for assurances concerning his health and a request for his early release on humanitarian grounds.

In addition to the above-mentioned representations, the Canadian Embassy made requests, on the average of once a month, for permission to visit Mr. Lippert. Permission to visit him was granted 41 times in the period of his incarceration — slightly over ten years. In addition to these visits, the Department of External Affairs organized in July 1973 the visit to Havana of Mr. Lippert's sister and daughter. During that period, he was moved to the hotel where his relatives were staying.

Arrest of Gavin Naeve

One widespread misapprehension apparently entertained by many Canadians is that the acquisition of Canadian citizenship automatically cancels any liability a person may have had to prosecution for an offence committed before he became a Canadian against the laws of the country of his original citizenship. Some months ago many Canadians protested vigorously the arrest of Gavin Naeve, a Canadian citizen of American birth, who, while in transit through the United States, was

arrested for a long-standing alleged violation of the United States Selective Service laws. As one correspondent put it: "Gavin Naeve, as a Canadian citizen, has all the rights and privileges of being a Canadian and thus is not and should not be subject to the U.S. draft."

This doctrine, however attractive it might seem, has no status in international law. It is recognized that every state has the sovereign right to make such laws and to apply them to all persons within its jurisdiction, whether or not the persons concerned are citizens of that country. As a consequence, there is no basis on which the Canadian Government can demand the release of a Canadian citizen who has been arrested while visiting the country of his original citizenship for an offence against the laws of that country which he committed before becoming a Canadian.

Mr. Naeve's case was not an isolated one — there have been other instances of Canadian citizens who were originally Americans returning to the United States and finding themselves detained or imprisoned for having committed an offence against the Selective Service laws. This situation, moreover, is not confined to Canadian citizens who were originally Americans; it is sometimes even more difficult in the case of other countries which, unlike the United States, do not regard the acquisition of Canadian citizenship by one of their nationals as cancelling that person's original citizenship. A Canadian citizen who returns to his country of origin in that case may not only find that he is subject to the laws of his country of origin for military service and other purposes, but may also discover that he is not accorded the right to make contact with the Canadian embassy or consulate. A person who wishes to avoid this predicament would do well to investigate the possibility of formally renouncing his original citizenship — an act which so many countries do recognize.

In the past year, there have been three unusual cases involving Canadian citizens abroad, which attracted a great deal of attention and demands for government action but could not have been adequately dealt with by means of normal consular procedures. These cases have in common the fact that the places where the incidents occurred raised a number of complex and special issues in themselves.

Deaths on Zambian border

The first of these cases involved the deaths of two Canadian girls in May 1973. The girls, who were with a party of tourists in Rhodesia, were fired on by Zambian

Shock expressed over sentence for Lippert; representations made by Canada on 35 occasions

Every state has the right to apply laws to all persons within its jurisdiction

troops from the Zambian side of the Rhodesian-Zambian border near Victoria Falls. The second case involved the *Greenpeace III*, a Canadian vessel which, at the time of planned nuclear tests being carried out in the South Pacific by the Government of France, was boarded by French naval seamen in international waters. In the third case (which is still current at the time of writing), two Canadian citizens and three Americans were captured by a rebel group in Ethiopia when their helicopter was reportedly forced down in rebel-controlled territory. In the first two instances, the incidents took place outside the territory of the government concerned; in the third case, the incident occurred within the normal sphere of sovereignty of the Ethiopian Government but outside its area of practical control.

In each of these three cases, the Department of External Affairs took the normal consular measures appropriate to the situation. Because of the peculiar circumstances in each of these three incidents, subsequent action taken by the government on behalf of the Canadians concerned had to be planned in relation to considerations well beyond the normal consular range. There were, first, the interests of the Canadian citizens concerned, their families, and how these might most effectively be pursued; secondly, various considerations of international law which were involved; and thirdly, the full range of relationships between Canada and the countries concerned.

Within the more strictly consular context, reference has been made to the fact that the Government or its representatives abroad can in some cases make formal representations to another government on behalf of a Canadian citizen in difficulties, and in other cases informal representations. The difference, while not in fact, is not just a matter of form. In making formal representations in a consular case, a government would normally use its request either on accepted principles of international law or on specific treaty obligations binding the two countries concerned. In such a situation the government would, in a sense, be demanding its rights. It would probably make such demands through formal representations only after more informal approaches had first been tried.

When a Canadian diplomatic or consular officer in another country makes informal representations on behalf of a Canadian citizen in difficulties, he bases the request on considerations other than international law or treaty obligations: the health of the individual concerned,

compassion for his family, plain humanity or any other special extenuating circumstance. In most cases, the diplomatic or consular official would make informal representations orally rather than in writing, though a written communication would not be excluded. Clearly, the nature of the existing relations between the Canadian diplomatic or consular officer and the government officials with whom he deals — ministers and officials of the ministry of foreign affairs or the ministry of interior, police officers, prison authorities — can be of some importance. Informal representations are likely to be more effective if they can be made without the accompaniment of public fanfare.

Initiatives in UN

Although international law tends to be a conservative influence that takes more account of the sovereignty of states than of the "rights" of the individual, it does not inhibit governments from seeking to improve the general standard of international behaviour so far as individuals are concerned. Within the United Nations, the Canadian Government has given firm and continuing support to human rights activities; it has served on the United Nations Commission on Human Rights and also participates actively in the work of the Third Committee of the General Assembly, which deals with social, humanitarian and cultural affairs. In a more restricted context, through its participation in the current Conference on Security and Cooperation in Europe, the Canadian Government has been co-operating in efforts to facilitate freer movement and contacts of peoples and, more specifically, general acceptance by European countries that families should not unwillingly be kept divided.

Advances on this general international front are necessarily slow and, in the meantime, particular problems arise. In a lecture he gave in Osgoode Hall in Toronto on April 3 of this year, Mr. Sharp referred to consular cases where a Canadian had run into legal difficulties abroad, where local laws and procedures were more rigorous or harsh than those that apply in Canada and recognized that the feelings of many Canadians were often engaged where it appeared that an injustice was being perpetrated on one of their fellow citizens.

In this connection he said:

"I sometimes receive suggestions that we take drastic action toward this or that government; that we sever trade or aid relations; or that we should make our concern known through highly-publicized de-

*Ottawa seen
co-operating
in efforts
to facilitate
freer movement*

mands and threats. This seems to me to be a sort of verbal 'gunboat diplomacy' which Canadians will surely consider obsolete.

"I ask the persons involved whether the important thing is the public assertion of our position, or the relief of the imme-

diat problem. Most Canadians would agree, on reflection, that the important thing is to resolve the question. Public declarations of righteousness are a luxury that one can dispense with".

Examining the right of asylum the choices and the limitations

By Serge April

In the wake of the events of September 1973 in Santiago de Chile, the right of asylum has been the subject of frequent comment among the Canadian public. Judged from a legal standpoint, the validity of such comment has varied. With a few exceptions, no one has really set out or analyzed the applicable rules of international law. Yet such an analysis might not only have encouraged more precision in the use of the terms involved but might even have led the discussion to take a different shape.

What too many people do not seem to have grasped is that, in international law, the word "asylum" refers to several concepts that are, in fact, quite different from one another. Too often, people have confused diplomatic asylum with territorial asylum, without realizing that, while it is true that the institution of diplomatic asylum still exists as an international legal concept in Latin America, it no longer is recognized in general international law. In general, international law takes the view that, at most, embassies may only temporarily shelter persons whose lives are in imminent danger. The word "asylum" has, nevertheless, been used throughout these discussions in an indiscriminate fashion to apply equally to territorial asylum, to the local Latin American practice of diplomatic asylum or to the provision of temporary safe haven in an embassy.

Such a lack of exactness in the use of

terms has undoubtedly resulted in error of understanding, not the least of which has certainly been to regard as on the same footing in all respects those refugees who came to Canada from Hungary after 1956 — who, in fact, were given territorial asylum only after leaving their own country — and those from Chile, who had only enjoyed "temporary safe haven" in embassies after the Allende Government was deposed, but were unable to leave the country unless and until "courtesy safe conducts" were issued in their favour.

Revision of 'instructions'

It is important to note that the Canadian position on diplomatic asylum conforms to the provisions of general international law. A survey of non-Latin-American countries whose embassies in Santiago admit varying numbers of "refugees" last year indicates that these countries have a position essentially similar to that of Canada, and that this position has not been altered by the events in Santiago. The Department of External Affairs is currently considering a revision of "consular instructions" (standing instructions given to missions on various matters of a consular nature) so as to define with even greater clarity the cases in which Canadian embassies may legally receive persons seeking refuge. No policy change is contemplated, however.

In short, the asylum question is a complex one, and the Canadian position on it is made even more difficult to comprehend by the fact that the term "asylum", used without qualification, leads to confusion. The purpose of this article is to indicate briefly some of the fundamental differences between the various types of asylum.

Mr. April, who is a lawyer specializing in international law, has been a member of the External Affairs Department for six years and is currently with the Legal Advisory Division. He previously served in the Canadian Embassy in Rome.

Territorial asylum is the kind a state may be obliged to extend to persons (i.e. refugees") who have fled their country of origin because they fear persecution for their political ideas, their religion or their race. The legal basis for territorial asylum is the 1951 Convention Relating to the Status of Refugees and its 1967 protocol, to which Canada is a party.

When such territorial asylum is requested, the "refugee" must have already left the jurisdiction of the state where he fears persecution (and once he is accorded refugee status he cannot be extradited or sent back there). In other words, a potential refugee must be physically outside the country in which he fears persecution. This was the case with those Hungarians and Czechs who came to live in Canada after Austria had already accepted them as refugees on its territory.

In practice, a state that grants territorial asylum has no need to seek the co-operation of the state from which the refugees originally fled: they are already outside its territory. Furthermore, since, as refugees, they are already out of the country they are fleeing, they are in no immediate danger, and hence their cases are generally dealt with as immigration cases.

Diplomatic asylum

Diplomatic asylum, on the other hand, is granted outside the jurisdiction of the state where the refugee fears persecution. It is given by an embassy located within the very territory of that state. In other words, diplomatic asylum is granted when an embassy receives on its premises an individual seeking refuge there in order to escape from the jurisdiction of local authorities.

Thus diplomatic asylum, in contrast to territorial asylum, involves intervention in matters that are within the exclusive jurisdiction of the state where the embassy is located, and hence constitutes a possible violation of the sovereignty of that state, since the effect of diplomatic asylum is to remove the "refugee" from its jurisdiction. Diplomatic asylum is no longer recognized in general international law, though it is still a local Latin American practice based on bilateral treaty relationships.

If one wishes to make any comparison between diplomatic and territorial asylum, it would at least be useful to bear in mind the following practical considerations. If an individual to whom an embassy has granted "diplomatic asylum" wishes to leave the state where the embassy is located, it will be necessary for that embassy to obtain the co-operation of the local

authorities, which must find its expression in the granting of a safe-conduct. This problem obviously does not arise in the case of territorial asylum, since the refugee has already left the territory and jurisdiction of the state he is fleeing. Moreover, in contrast with territorial asylum, diplomatic asylum can be granted to only a limited number of persons at any one time; there is necessarily a difference between the number of persons with refugee status that a country's territory can absorb and the number of those seeking asylum whom an ambassador can accommodate in his living-room. Finally, it should also be pointed out that it is relatively easy for local authorities to take steps to prevent seekers of asylum from entering or leaving an embassy (all that is necessary is to place a police cordon round the embassy), whereas, in practical terms, it is generally impossible to seal off a frontier entirely to would-be refugees.

Historical origins

The historical origins of diplomatic asylum lie in the former principle of extraterritoriality of embassies. According to this principle, the premises of the United States Embassy in Ottawa, for example, might have been regarded through a legal fiction as American territory; on this assumption, the premises of the Embassy would be beyond the jurisdiction of the host state (Canada), and the laws of the latter would not apply there. However, contrary to a widely-held belief, the principle of extraterritoriality of embassies no longer exists in modern international law. It has long since been replaced by the principle of inviolability of embassies, which was codified in the 1961 Vienna Convention on Diplomatic Relations. Article 22 of that convention provides that: "The premises of the mission shall be inviolable. The agents of the receiving State may not enter them, except with the consent of the head of the mission." In other words, the premises of the United States Embassy in Ottawa are, in fact, Canadian territory, except that the Canadian authorities may enter them only with the consent of the U.S. Ambassador.

The principle of inviolability does not imply leave to violate with impunity the laws of the host country. On the contrary, as a corollary to this principle, and that of the personal immunity of diplomats, Article 41 of the Vienna Convention specifically imposes on diplomats a "duty to respect the laws and regulations of the receiving State", which would involve, among other things, a duty to deliver to local authorities any person wanted by

*Principle
of inviolability
of embassies
was codified
in convention
adopted in 1961*

local justice and a "duty not to interfere in the internal affairs of that State". Article 41 even goes on to provide that "the premises of the mission must not be used in any manner incompatible with the functions of the mission"; and asylum is not referred to in the list of "diplomatic functions" given in Article 3 of the Convention.

The essential difference between extraterritoriality and inviolability is the following: in the first case, embassies were regarded as beyond the jurisdiction of the host country, while in the second case — this legal fiction having disappeared — embassies are under an obligation to respect the local laws. In other words, in the first case embassies might receive fugitives, whereas in the second such action has become unlawful.

Latin America tradition

Though the institution of diplomatic asylum no longer exists in universal international law, this is not so in Latin America. In fact, a network of treaties peculiar to Latin American states (the Montevideo Treaties of 1933 and 1939, the Havana Convention of 1928, and the Caracas Convention of 1954) enables embassies of most of these states that are themselves situated in Latin America to grant diplomatic asylum in more or less the same circumstances as territorial asylum, and, most important, requires the state in which the embassy is located to issue a safe-conduct allowing the asylum seeker to leave its territory.

This Latin American institution is an exception to general international law. It has its origins in a political, humanitarian and legal tradition peculiar to the Latin American continent. It should be understood that the diplomatic asylum provided for in these treaties applies only among the Latin American countries themselves, most of which are bound by one or more of them.

Temporary refuge

Diplomatic asylum, as formerly understood in international law or as it is still understood in Latin America, is thus no longer recognized in general international law, since embassies no longer have extraterritorial status and have the obligation of observing local laws. At most, the rules of modern international law permit an embassy, in exceptional circumstances and on purely humanitarian grounds, to grant shelter for short periods to persons whose lives are in imminent danger.

Thus, in 1961, when the Belgian Embassy in Cairo was burned by rioters

protesting against the death of Patri Lumumba, the Embassy staff was sheltered in the Canadian Embassy for a few hours. As soon as the Egyptian authorities were in a position to guarantee their safety, however, the Belgians left the Embassy.

Cases of this type create little difficulty, for they involve no violation of the rules of international law or of local law. It is otherwise, however, when an individual sheltered by an embassy, because, or she is in great danger, is being actively sought by the local authorities, since, as was indicated above, an embassy has a duty to hand over any "fugitive" to the local authorities. If the embassy were to do so, because for one reason or another it appeared that the seeker of asylum would continue to be in danger if he left the premises, an impasse of sorts would be reached. The case of Cardinal Mindszenty, who remained in the American Legation in Budapest, for many years illustrates this type of problem.

Request for safe-conduct

In this kind of situation, the embassy for all practical purposes reduced to asking the local authorities to issue, on a court basis, a safe-conduct in favour of an asylum-seeker, hoping it will draw a favourable response. Although there is nothing to prevent an embassy from making such a request on humanitarian grounds, the local authorities are under no legal obligation to accede to it. If they refuse, and if the embassy persists in refusing to hand over the "fugitive", it then takes the latter that finds itself in an illegal position. It is to be feared that, despite the provisions of Article 22 of the Vienna Convention, the local authorities might then even consider using this violation of their laws as a pretext for entering the embassy and arresting the fugitive there.

Fortunately, the local authorities in Santiago, though they were under no legal obligation to do so, agreed to grant "courtesy safe-conducts" to persons who had been granted safe haven in embassies in non-Latin-American countries. In November and December, however, they stopped granting such safe-conducts, as was their right.

By way of conclusion, it should be reiterated that, in accordance with general international law and in common with other non-Latin-American countries, Canada does not recognize the right of diplomatic asylum. At most, Canadian embassies may accommodate for short periods and on purely humanitarian grounds (never for political reasons), persons whose lives are in immediate danger. Embassies are under a duty to let refugees leave

Treaties apply only among countries of Latin America

the danger is past, or to hand over fugitives to local authorities if requested to do so and if assured they will be dealt with hereafter in accordance with local law. If the danger appears to persist, however, the embassy may only request the local authorities either to guarantee the safety of the refugees or to allow them, "on a courtesy basis", to leave the country with safe-conducts, and hope that such a request will

meet with a favourable reception.

As can be seen, the freedom of manoeuvre enjoyed by our embassies is quite limited, and is much less than some might be led to imagine. In any event, it must be understood that the possibilities in this area are very restricted, particularly when compared with those available in cases involving territorial asylum.

A salute to John Erskine Read

by Max Wershof

John Erskine Read was born in Nova Scotia in 1888 and died on December 23, 1973, at the age of 85, full of mental vigour to the last. His connection with the Department of External Affairs began in 1928, and he was appointed Legal Adviser the following year.

Educated at Dalhousie University, Columbia University and Oxford, he was called to the Bar of Nova Scotia in 1913. He was a combat officer in the Canadian Army from 1914 until 1918, when he was wounded and invalided out. After the war, Mr. Read practised law, became professor of Law at Dalhousie in 1920 and Dean of the Faculty of Law from 1924 to 1929.

My personal connection and friendship with Judge Read began in November 1937 when I joined the Department of External Affairs.

The period between the wars saw the major development of Canada's constitutional status in relation to the Crown and the British Government, and of its status in international law and the world community. In this development, under prime ministers of both major parties, and under the direction of Dr. O. D. Skelton, Under-Secretary of State for External Affairs, Judge Read played a leading part as Legal Adviser.

The Imperial Conference of 1926 had defined in the following terms the new position of Britain and the Dominions:

They are autonomous Communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs, though united by a common allegiance to the Crown, and freely associated as members of the British Commonwealth of Nations.

Judge Read wrote in 1967 in *International Journal*, something more than the

consent of the members of the Commonwealth was needed in order for Canada to achieve the status of a sovereign state. It was necessary to obtain recognition of that status by the members of the family of nations. Judge Read went on to say that the Legal Adviser's work in his years of office was guided by the following objectives:

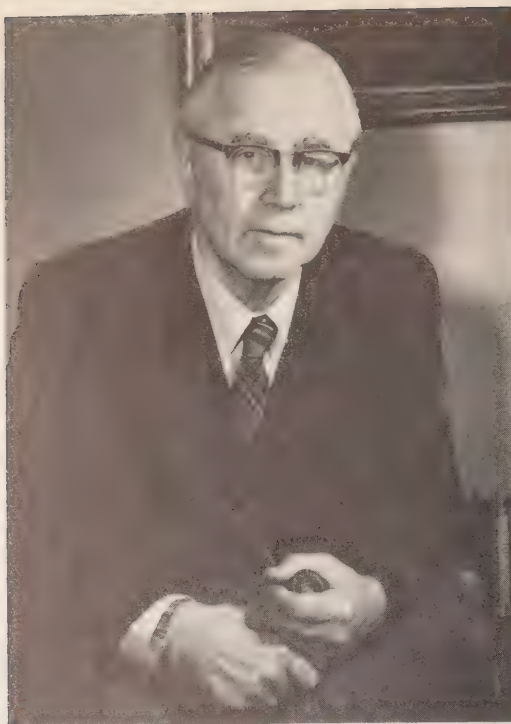
(1) It should be a primary objective of the Department (of External Affairs) to promote such legal and constitutional reforms as might be needed to bring the legal and constitutional position of Canada into conformity with the status of a sovereign state;

(2) no action, inconsistent with such status, should be taken by any department of the government;

(3) no opportunity should be lost to establish precedents on the external and international planes which would promote recognition of such status.

Judge Read was an important member of the (Commonwealth) Conference on the Operation of Dominion Legislation in 1929. This was followed by his work at the Imperial Conference in 1930, which

Since September 1971, Mr. Wershof has served as Canadian Ambassador to Czechoslovakia and concurrently to Hungary. A member of the External Affairs Department since 1937, Mr. Wershof has served on two occasions as Assistant Under-Secretary of State for External Affairs and Legal Adviser — from 1954 to 1956 and again from 1964 to 1967. He was Ambassador and Permanent Representative to the European Office of the United Nations in Geneva for five and a half years. He assumed his present post in Prague after serving as Canada's Ambassador to Denmark.



Capital Press Photo

Judge John Read

produced what became the Statute of Westminster 1931.

Procedure on appointments

During the same general period, many steps were taken (in which Mr. Read was a leading adviser) to establish the principle that, in Canadian affairs requiring the participation of the Crown, the King received and acted upon advice only from the Prime Minister of Canada. New procedures were developed, to an important degree by Mr. Read, for such matters as the appointment of the Governor General, the establishment of embassies and the appointment of ambassadors, and the issuing of full powers to sign and ratify treaties.

The first time that a Governor General was appointed solely on the advice of the Canadian Prime Minister was in 1931, when Lord Bessborough was appointed by the King on the direct submission of Prime Minister R. B. Bennett. Constitutional questions of this kind, which nowadays would be handled in the Cabinet Secretariat and the Department of Justice, were, in the period between the wars, largely dealt with in the Department of External Affairs, and especially by Judge Read.

When the Second World War started, another significant legal step was taken, which put beyond doubt the divisibility of the Crown and the separate international legal status of Canada. Britain declared war on September 3, 1939. Canada was not at war until September 10, when the King (on the advice of the Canadian Govern-

ment following a special session of Parliament) approved the issuance of a proclamation of war by Canada. Judge Read was the legal architect of the procedure that followed.

Trail smelter case

Judge Read's legal accomplishments in this department were not, of course, confined to problems of constitutional and sovereign status. In 1928, even before his appointment as Legal Adviser, he was consulted about what came to be known as the Trail Smelter Dispute between Canada and the United States. This arose out of the operation by a Canadian company of a smelter at Trail, B.C. (near the international boundary). Fumes from the smelter used to drift across the boundary and cause damage, between 1926 and 1930, to farms and other property. The International Joint Commission made an extensive investigation at the request of the two governments and subsequently an arbitration tribunal was set up, which functioned for several years. Mr. Read was the agent for the Canadian Government before the tribunal. The numerous stages of the arbitration were complex and the results important for Canada — not only in financial terms for the company. This was the first international arbitration involving Canada in which the Canadian Government was in control of the arbitration at all stages. Today, when there is acute concern for the protection of the environment, the Trail Smelter case deserves renewed interest.

Toward the end of the war, Mr. Read became one of a small group of international legal experts on the allied side who did preparatory work on what became the United Nations Charter and the Statute of the International Court of Justice. He was elected a judge of the ICJ and served with distinction for 12 years, until 1951. When he retired from the Court at the age of 70, he still had the physical and mental energy of a young man. He contributed to the development of international law studies in Canada by becoming a lecturer in law at the University of Ottawa and by active participation in Canadian and international societies devoted to international law. Several universities, including Dalhousie and Oxford, conferred honorary doctorates on him. He was awarded the Medal of Service of the Order of Canada.

Priceless adviser

Mr. Read was an ideal servant of the state. He had great intelligence and knowledge and unlimited capacity for hard work and

oping with crises, and complete integrity and loyalty to the Canadian Government of the day and to the two Under-Secretaries of External Affairs (Dr. Skelton and Norman Robertson) to whom he was a priceless adviser and a tower of strength. He had a puckish sense of humour and retained it during the hardest days of the war.

No one could have been kinder or friendlier to young officers like myself who worked for him. If one of us did something particularly good, he went out of his way to make it known to the Under-Secretary and, when possible, even to the rather remote figure of Prime Minister Mackenzie King, who was also Secretary of State for External Affairs until 1946. If we did something stupid, he was tolerant and

protective. I recall the first time that he left me in charge of his desk during a lengthy absence. I kept a diary for him of what had been done in his name while he was absent. He smilingly refused to read it on his return. If something foolish had been done, he thought it would be quite some time before anyone else discovered it — in any case, we were too busy to search for past errors.

My wife, who shared my appreciation and respect for Judge Read, called him a "sweet" person. Perhaps a strange adjective for such a gallant and strong personality, but it suggests his essential gentleness and kindness, and his desire to help young colleagues to achieve success and self-esteem according to their merits.

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The State of Détente

Energy and the World Power Equation

Canada's Nuclear Option

Dialogue with Latin America

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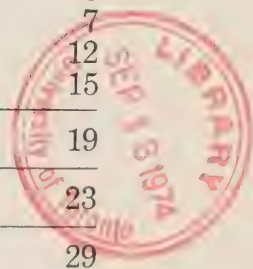
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The Soviet internal dimension: a problem of growing concern

by Paul Marantz

Human nature can be maddeningly contrary. In politics, as in personal life, the satisfaction experienced from the attainment of a long-sought goal may evaporate with dramatic suddenness. For more than a quarter of a century, mankind has endured a precarious existence continuously menaced by the threat of an atomic holocaust. Throughout this period, there could be little doubt that the lessening of the danger of nuclear war waged by the superpowers was the cardinal task confronting the world. But now that significant, though incomplete, progress has been made in that direction, it is increasingly being asked: Is East-West *détente* a worthwhile goal? Where do we go from here?

Perhaps at no time in the past two decades has there been so much public concern about the pursuit of Soviet-U.S. *détente*. Quite naturally, most of this attention has focused on questions of international politics, on the nature and direction of Soviet *foreign policy*. But there is another side to the question, which is of growing importance — the nature of Soviet *domestic politics* and its effect on the course of East-West relations. It is to this particular problem that the present article is addressed.

There is much that we do not know about the foreign-policy goals of the Soviet regime, but our uncertainty is further multiplied when we try to discern the impact of various domestic factors on present and future Soviet conduct. Some aspects of Soviet domestic politics are still enveloped in deep mystery. Others are understood by Western specialists, but rarely appreciated by broader circles of the general public, whose reaction to *détente*, either for or con, cannot but influence popularly-elected governments. And, in still other instances, a consensus on specific aspects of Soviet domestic politics (e.g., the existence of strong pressures for economic modernization) goes hand in hand with a wide diversity of views as to how the West should respond to this situation.

Before focusing upon the all-too-

numerous uncertainties and ambiguities that bedevil sound policy analysis, it may be useful to note briefly some of the things about which we are relatively and knowledgeable. Any discussion of the interrelation of Soviet foreign and domestic policy must begin with a sober recognition of the disappointingly slow pace of liberalization within the Soviet Union. Over the years, the forces for continuity have proved much stronger than the forces of change. This is not to say that Brezhnev's Russia is identical to Stalin's — it clearly is not.

But it also must be recognized that:

(1) despite the elimination of overt terror and a significant improvement in the standard of living, the basic features of the Soviet political system (one-party rule, all-pervasive censorship) remain unchanged; (b) most of the reforms that were initiated in the Soviet Union were introduced within a few years of Stalin's death, when his immediate successors, led by Nikita Khrushchov, tried to undo some of the most harmful features of his totalitarian rule. Since that time, there has not been — as some people imagine — continued and sustained liberalization.

During the past decade — that is, in the period since Khrushchov's ouster — there has been relatively little forward movement in Soviet society. Indeed, in certain crucial respects there has been a retrogression. It is no longer permissible to criticize openly the errors of Stalin, and dissident intellectuals are dealt with sternly and forcefully. In the early 1960s, Solzhenitsyn could publish a number of his works in the Soviet Union; in 1974, he was forced into exile. In the last few

Professor Marantz is a specialist in the field of Soviet politics who is a member of the Department of Political Science at the University of British Columbia. His research has focused upon changing Soviet perceptions of East-West relations, an area in which he has written a number of articles. The views expressed in this article are those of Professor Marantz.





UPI p.

Leonid Brezhnev, Soviet Communist Party Secretary, greets President Nixon at Moscow's Vnukovo Airport as the U.S. leader arrives for six days of summit talks. The sessions, which followed earlier

summit meetings in 1972 and 1973, resulted in conclusion of agreements on limiting defensive-missile complexes and underground nuclear tests and on a number of economic, health and cultural issues.

years, the Soviet Government has moved systematically and methodically to eliminate all vestiges of independent thought, through the use of forced exile, imprisonment, or involuntary incarceration in mental asylums.

All this is not to say that co-existence or *détente* between East and West is impossible. Foreign-policy issues of paramount concern may make a measure of co-operation both necessary and possible. But wishful thinking is the enemy of sound policy. It must be clearly borne in mind that, whatever prospects exist for co-operation in such areas as arms control, environmental protection and trade, exist not because of internal Soviet liberalization but *despite the absence of such reform.*

Internal needs

These negative considerations are counterbalanced to some extent by another aspect of Soviet domestic politics. One of the reasons that many Western observers believe that the present *détente* will prove more durable than its ephemeral predecessors (who, after all, remembers the short-lived *détentes* of 1955, 1959 or 1963?) is that Soviet policy appears to be

based not just upon foreign-policy considerations but also upon compelling internal needs. If present Soviet moderation was solely motivated by external factors, such as a fear of China or the desire to achieve international recognition of the status quo in Eastern Europe, then this moderation might dissipate overnight (e.g., if Mao's death should bring an end to Sino-Soviet enmity).

Fortunately, current Soviet policies are also motivated by more enduring concerns, in particular the need to overcome pronounced deficiencies in the Soviet economy. The Soviet Union's highly centralized planned economy has proved adept at fulfilling quantitative targets (e.g., for coal, steel, and oil) or at turning out a few high-priority items (e.g., military hardware and space vehicles). It has proved much less successful in fostering innovation, ensuring quality control, meeting consumer expectations, and overcoming agricultural inefficiency.

In what has been called "the second industrial revolution", the transition from the industrial to the "technetronic" age, the Soviet Union is increasingly falling behind. It has a strong need to import Western technology and capital, especially

The discussion of the current state of *détente* between the Soviet Union and the United States in this issue of *International Perspectives* is held against the backdrop of the third Soviet-American summit meeting in the past three years. The summit sessions between President Richard Nixon and Leonid Brezhnev, Soviet Communist Party leader, and their advisers concluded on July 3.

During six days of talks in Moscow and Yalta, the U.S. and Soviet leaders reached agreement on a number of military and other questions, but failed to devise a permanent agreement on the key issue of limiting offensive nuclear arms. They did, however, approve a *communiqué* committing their countries to negotiate a new interim accord on offensive strategic nuclear weapons. The proposed agreement would replace the present interim accord, signed at the 1972 summit. That accord expires in 1977.

Progress was made on other disarmament questions. The two sides reached agreement on a treaty, subject to ratification, limiting underground nuclear tests. It prohibits such tests exceeding 50 kilotons (equivalent to 150,000 tons of TNT) effective March 31, 1976. The treaty does not cover tests "for peaceful purposes" of nuclear energy.

Two protocols, also approved by U.S. and Soviet leaders, limit both the United States and the Soviet Union to

a single deployment area for anti-ballistic missiles (ABMs). These protocols, which require ratification, would amend the defensive-missile treaty signed in Moscow in 1972 allowing each country two such areas.

The two sides agreed to begin discussions on controlling the use of environment-modification techniques as a means of warfare.

In the economic sphere, the U.S.S.R. and the United States signed a ten-year economic agreement designed to promote Soviet-American trade. The agreement sets up a broad framework for exchanging information and views on economic undertakings and for encouraging discussion on possible co-operation between American companies and Soviet organizations. The accord, however, makes no new commitments on specific deals and it has no effect on pending legislation regarding the granting of non-discriminatory tariffs to the U.S.S.R. This legislation has been held up in the U.S. Congress.

In other fields of bilateral relations, the U.S. and Soviet leaders agreed to co-operative endeavours in such areas as energy, housing and other construction, artificial heart research, space ventures and environmental protection. They also endorsed further cultural exchanges and agreed on opening new consulates-general in Kiev and New York City.

the areas of computers, electronics and chemicals. The Soviet leadership is well aware that it can be sure of gaining access to this technology at a reasonable price only if it adopts a more moderate policy. With this in mind, the Soviet leadership is not likely to casually throw overboard the hard-won gains of the past few years.

Thus we can be relatively confident of two things: Because of internal economic needs, the Soviet Union has a strong and genuine interest in *détente*; but, at the same time, the Soviet leadership has absolutely no intention of allowing an improvement in external relations to erode the existing system of one-party rule within the U.S.S.R. Soviet authorities have made this abundantly clear both in word — through the tireless proclamation of the slogan "the peaceful coexistence of peoples does not signify the coexistence of ideologies" — and in deed — by the in-

creased repression of dissident intellectuals and restive nationality groups.

But, if this much is clear, the proper course to be followed by the West is far from obvious. The framing of a fruitful policy is hampered by complexities of a political and a moral nature. Given our current lack of hard knowledge, it is quite possible for informed individuals who share a common dedication to the goal of *détente* to advocate diametrically-opposed policies.

Debate over policy

Some commentators have argued that a substantial increase in East-West trade and a massive infusion of Western technology would encourage an opening-up of the Soviet system. According to this view, new conditions — such as increased contact with the West, the presence of large numbers of Western businessmen and technicians in the Soviet Union, and the

reform of Soviet economic practices — would accelerate modernizing tendencies within the Soviet Union, which, in turn, might eventually succeed in eroding the commitment to ideological goals at home and abroad.

Other observers argue no less forcefully that, if the Soviet leadership is allowed to borrow technology from the West, it will be better able to preserve and strengthen the present system with its highly-centralized control of economic and political life. In their view, the easier it is for the Soviet Union to overcome deficiencies by borrowing technology and capital abroad, the weaker will be the incentive to innovate, to experiment and to lighten the bureaucracy's heavy hand on all aspects of Soviet life. In view of limited knowledge of so much of Soviet politics, this is not a debate that will be settled quickly.

The same diversity of views characterizes a parallel policy concern — namely, the possible impact of Western actions upon Soviet policies. In the past, there was an unfortunate tendency to neglect this aspect of East-West relations. It was assumed that Soviet policies were internally generated (on the basis of Marxist-Leninist ideology or power drives) and that the West's task was to respond to and contain these Communist initiatives. It is now more generally appreciated that Soviet foreign policy, like the foreign policy of any nation, has a strong reactive component whereby the Soviet Union is responding to the actions of other states.

It is also more widely recognized that there is nothing preordained or automatic about Soviet policies. There are often significant differences of opinion within the Soviet leadership; and the West, by its policies, can influence the way in which these differences are resolved. Put in the simplest terms, there are hawks and doves in the Kremlin, and it is in our interest to act in such a way as to strengthen the dovish faction and to weaken the hawks.

Political currents in Kremlin

This approach represents a considerable advance in Western thinking. But it hardly solves all our problems. Not only is it difficult to predict with assurance the effect of a particular Western action (e.g., the American denial of most-favoured-nation treatment to the Soviet Union) on the constellation of political forces within the Kremlin — it is difficult even to know what these forces are. How dovish is Leonid Brezhnev compared to Alexei Kosygin? Just how serious is the challenge to Brezhnev's position? If Brezhnev were to

fall, would this strengthen modernizing forces within the leadership or lead to hardening of Soviet policy?

Speculation is rife on all these points (e.g., was the unexpected admission to the Politburo of Foreign Minister Andrei Gromyko, Marshal Andrei Grechko and Secret Police Chief Yuri Andropov in April 1973 a sign of Brezhnev's strength or weakness?). In the face of this uncertainty we are left with a goal which is easy to state but hard to implement with a precision, to act moderately, so as to encourage evolution within the Soviet Union, but cautiously, so as not to trade real concessions for uncertain gains.

In this age of interpenetration and transnational influences, we find that foreign-policy considerations affect domestic politics just as surely as domestic politics shape foreign policy. This is especially evident in two areas which have recently served to focus Western misgivings about *détente* — the forcible expulsion of Solzhenitsyn and the continued restrictions on Jewish emigration. In both cases Soviet concern about Western public opinion has caused the Kremlin to act more moderate than it might otherwise have been.

Ambiguous situation

In interpreting this situation, the Western observer is again confronted with a mass of events which can be drawn upon to support opposing views. On the one hand it can be argued that Soviet behaviour has indeed moderated, in that at least some dissenters are now expelled to the West rather than imprisoned and the rate of emigration is many times what it was in the past. On the other hand, it can also be noted that Solzhenitsyn is one of the lucky few to be allowed to leave the Soviet Union and that unhampered emigration for Soviet Jews or any other national group is still an unattainable dream.

We are confronted with a situation that is ambiguous — not just politically but morally as well. What are the moral obligations of Western nations in regard to the denial of basic human rights within the Soviet Union? Do we have an obligation to act on humanitarian grounds or an obligation not to act, so as to observe the international norm of non-interference in the internal affairs of a sovereign nation? Will Western action, at either an official or non-governmental level, improve the well-being of Soviet citizens or provoke a counterreaction that will make their lot harder? Is the perpetuation of the present bleak situation only a matter of humanitarian concern, or is there a genuine political

Some observers see Soviet in better position to preserve present system by borrowing West's technology

Hard to measure political forces within Kremlin or possibility of challenge to Brezhnev

erest here too (i.e., the extreme difficulty of establishing a stable *détente* as long as the Soviet Union retains a closed political system predicated upon unrelenting ideological struggle against the West)? These are not easy questions to answer.

At the very least, Western policymakers should aim for a higher level of moral consistency. All too many people seem willing to make *détente* conditional on the treatment of a particular individual like Solzhenitsyn, completely ignoring the fate of less-well-known but equally courageous individuals at present languishing in prison camps, mental asylums, or internal exile (Grigorenko, Bukovsky, Amalrik, Zhikhanchikov, Plyushch, to name but a few). Similarly, it makes little sense to condition a *détente* upon the Soviet regime's treatment of its Jewish citizens (however harsh it may be) unless concern is manifested for the fate of other nationality groups which are also being dealt

with severely.

It might be argued that in foreign policy selective morality is better than none at all. But selective morality is dangerously close to hypocrisy. What is needed is a thoughtful, long-term policy which is built upon a foundation more durable than the shifting sands of popular emotionalism.

Eagerness for a *détente*, and a desire to build up constituencies strong enough to overcome the legacies of the Cold War, should not lead to unrealistic claims about an "era of negotiations". Unwarranted optimism will surely engender bleak pessimism once difficulties are encountered along the rocky path to *détente*. What is needed in the West is a deep appreciation of the political difficulties involved, a willingness to face up to the moral dilemmas that exist and a determination to confront fully — rather than evade — the responsibilities of power.

*Long-term policy
seen as needed
rather than
foundation
built upon
'shifting shoals'
of emotionalism*

The state of détente

Soviet approach leaves West with two unpalatable choices

by Mark Gayn

Nikolai Suslov is the Soviet Union's ranking guardian of the faith. Gossip in the foreign diplomatic corps in Moscow quotes him as saying that, if the Kremlin had to make a choice between *détente* and the preservation of the Communist system in Czechoslovakia, it would simply have to choose the latter. The tale may be apocryphal; but it does serve to underline a basic feature of the arrangement the Soviet leaders are seeking to forge with the West. They are for *détente*, but not at the sacrifice of interests they regard as fundamental. The past couple of years have shown that, apart from the preservation of Communism in Eastern Europe, these interests include the Soviet position in the Middle East and the defence of the Soviet ideological bastions.

In the early summer of 1973, Moscow gave the foreign onlooker the feeling of an East-West honeymoon. Party leader Leonid Brezhnev had just returned from a visit to the United States, where he commended the American "robber barons" and received a bear hug from the television

cowboy Chuck Connors. The Moscow hotels were bursting with American, Japanese and West German businessmen and bankers. Barely a day passed without an article in *Pravda* or *Izvestia* in praise of East-West economic and cultural co-operation.

But it is now obvious that, at that very moment, Soviet generals in Cairo

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were helping the Egyptian General Staff to prepare its plans for an attack on Israel, Soviet freighters were carrying missiles and other hardware to the Middle East for the coming war, and the Soviet leaders were assessing Washington's possible reaction to every eventuality that could arise once the Sinai offensive was launched.

By mid-October 1973, the Western diplomats in Moscow came to believe that what was an assessment in July had become a spirited debate. Facing each other in it were the leaders who wanted caution and patience which would preserve *détente* and those who argued that the Soviet Union, so deeply committed in the Middle East, could not allow the Israelis to trap and destroy Egyptian divisions on the East bank of the Suez Canal.

The latter faction won, and, as the Egyptian military situation continued to deteriorate, Moscow warned Washington it would send its paratroops to the battle area, and Washington responded with a military alert. Both sides have since argued that it was the spirit of *détente* that brought at least a ceasefire in the Middle East. The argument was not credible. What happened from October 22 to 25, 1973, was an East-West confrontation no less dangerous than the Cuban crisis 11 years earlier.

Role of the ideologists

In the debate that in 1970-72 led to the shaping of the *détente* policy in Moscow, the ideologists played as vital a role as the marshals. The Soviet bloc had just emerged from the *débâcle* in Czechoslovakia, where (Moscow and its Polish and East German allies felt) the threat to the system and the faith had to be met with force. Now, in the early Seventies, Suslov, Boris Ponomarev and other ideological guardians suddenly sensed a still greater threat in *détente*.

The opening of the gates, they believed, would let in not only the sophisticated machinery, the technological know-how and the credits that the Soviets wanted, but also people and ideas. The latter, the ideologists feared, would sooner or later generate doubt in the system and its leaders, dangerous questions, a grave political challenge. The anxieties of the faith-keepers at the Kremlin were shared by the Soviet provincial party secretaries, the conservatives of this revolution who wanted no changes in the status quo.

The arrangement that was finally hammered out at the Kremlin defined the limits of *détente*. The generals won assurances that the accommodation with the United States would not affect the relative strength of the Soviet army or the develop-

ment of advanced weaponry. The ideologists, led by Suslov, gained the promise that, even as the tensions with the West were eased, the ideological controls at home would be greatly tightened. No "smuggling of capitalist ideas" into Soviet literature and art would be tolerated. Dissent would be suppressed. Contacts with Westerners would be controlled as they have not been since Stalin's day.

These decisions were formalized at the plenum of the party's Central Committee in April 1973. They were then communicated to the leaders of the Eastern European Communist parties, and each of these held its own high-level meetings to decide on its own ideological and intellectual controls. All through this period and to this day — Moscow has been urging unity, cohesion, a joint front of the Communist parties in resisting the inflow of alien ideas. In a typical broadcast, Radio Moscow told its Slovak listeners last March that the ideological struggle had become the main battlefield "in the struggle between the two systems", and that a united front would enable the Communist states to win "the minds of millions of working people for the truth about Socialism and Communism". It would also enable them to resist "the ideological diversion of imperialism".

It was not easy for Moscow and its friends to explain their dread of alien ideas, even as they continued to maintain that their system was superior to all others and was supported by the bulk of the people. But a valiant effort was made. The main argument was that the Communists were not really opposed to a free flow of men and ideas into their world — provided the West respected the rules of the game. These rules (as two Czech editors put it in a televised round-table discussion in March) required "respect for a country's sovereignty, laws and customs; successful co-operation must also serve the spiritual enrichment of nations, the cause of peace and, of course, good neighbourly relations". The Communist party would, naturally, decide what was spiritually elevating and good-neighbourly.

This formula — also advanced by the Soviet delegation at the current Geneva conference on European security — was richly embellished. A French-language broadcast over Radio Moscow spoke of foreign guests to Moscow who "openly admit they're tired of their own bookshops, where literary masterpieces are submerged under a vast amount of pro-fascist publications". "They are tired of watching films which glorify gangsterism and cheerfully give false interpretations of his-

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Canada Wide — AP wirephoto

Alexander Solzhenitsyn, famed Soviet writer and Nobel Prize winner, was expelled from the Soviet Union in February. His family was permitted to join him at the end of March. Pictured are members

of Mr. Solzhenitsyn's family as they are greeted by the writer at Zurich airport. Mr. Solzhenitsyn holds his sons Stepan (left) and Ignat, while his wife, Natalya, clasps a bouquet.

historical facts or present an idyllic picture of tourist beaches," the broadcast declared. *Détente*, it was suggested, could, God forbid, lead to efforts to smuggle such fascist or pornographic works into the Soviet Union.

Other commentators argued that the Western tourists coming to the Communist countries represented a free flow of individuals — as did the Soviet tourists going abroad. And yet another commentator wondered how the West could complain about the inadequate flow of ideas when, in fact, five or ten times as much Western literature was being published in the Soviet bloc as Communist literature in the West.

This argument revives my own memories. About 20 years ago, a major house in Moscow published a translation of one of my own books, *Japan Diary*. No permission to translate the work was ever sought, and no word of the publication was ever sent to me. Three or four years after the volume appeared in Moscow, and two editions of 25,000 copies each were sold out, I stumbled on it in a Soviet bookstore in New York. An examination showed that the editors had carefully deleted pages and pages of references to Soviet

policy and actions in Japan and Korea, and to Soviet diplomats and writers I met there.

* * * *

'Basket Three'

At the Geneva conference, the issue of a freer exchange of ideas and people has become known as "Basket Three." From the opening moment, the Soviet delegates have been fighting a stubborn battle over what was to be put into the dangerous receptacle. The main effort has been to limit the exchange to items that would not "violate the customs" of the signatories, that would spiritually enrich the nations and serve the cause of peace. Under this formula, almost everything, from the Bible to essays on freedom, could be proscribed.

But Geneva, of course, was not the only battleground. After hastily signing the international copyright convention, Moscow sought to use it to prevent the publication abroad of Soviet works it did not want to see in print. Further, last May, at the Brussels conference discussing the use of satellites to transmit television programs, the chief Soviet delegate, Y. Zharov, argued that "television broadcasting must be put exclusively at the service

Main effort to limit freer exchange to items that would not 'violate customs' of signatories

of peace and the strengthening of friendship among the peoples". He demanded a convention that would ban broadcasts of material "which harms the cause of peace and security, propagates the ideas of war, nationalistic and racial hatred, and material aimed at interference in the internal affairs of other countries".

Such a convention could end all free televised discussion and portrayal of political rights and liberties, of a struggle against authoritarianism, of a state's right to dictate the thought and speech of its people, and of a free-thinking writer's fate under a dictatorship.

Interestingly enough, if the formula were used fairly, it could also eliminate much of the Soviet radio output beamed at China, the Arab world and even the West. Comparing Mao Tse-tung to Hitler or describing Israeli officers as looters and murderers could hardly be said to serve the noble ends of peace and understanding.

Heresy at home

But the heresy at home worries the Soviet ideologists as much as the threat of imported ideas. While in Moscow last fall, I was told that, for many Soviet writers, the intellectual climate since 1972 had been the harshest since Stalin's death. Books by the hundreds had been barred from publication because they dealt with "sensitive" subjects, not only political ones but also those dealing with the quality of life. One Western ambassador reported that a theatrical censor in Moscow had even attempted to delete from a play passages by Alexander Pushkin, the revered nineteenth century poet and dissenter. Luckily for the nation's prestige, the censor was overruled at a much higher level.

Such acts of suppression have only served to enrich *samizdat*, the underground literature. The nineteenth century author Pyotr Chaadayeve wrote, nearly 150 years ago, that because the Czarist censors banned all non-conformist works, Russia had become a nation of letter-writers. Intellectuals wrote their "letters" for days and weeks, and then the recipients copied and circulated them. Today, it is again a time of letter-writing.

Many Soviet intellectuals dreamt that *détente* would ease the constraints on thought and discussion. They were wrong. The men at the Kremlin wanted an expanded East-West trade and credits and a recognition of the postwar dividing-line on the map of Europe. The one thing they did not want was imported liberalism.

As the Bratislava *Pravda* put it: "Peaceful co-existence encompasses the struggle between the two systems, but

without war Some circles in the West seek to bring the notion of co-operation into the field of exchanges of ideas, people and information. This effort pursues a clear aim — to smuggle bourgeois ideology into the Socialist community, to weaken its ideological stability, and to help them deal with progressive ideas and their exponents at home (in the West) We reject theories hostile to us — about democratic Socialism, theories of convergence and all attempts to 'improve' (our) Socialism. There can be no convergence between Socialism and Capitalism, for mankind has only one future — Communist."

A few hours earlier, Radio Prague complained that Czechoslovakia was already infected — with "certain manifestations of unjustifiable pacifism and recklessness, of liberalism and opportunism"

* * * *

The most important domestic challenge to the decisions reached at the Kremlin came from two distinguished Russians. What alarmed the Soviet ideologists was less what Alexander Solzhenitsyn and Andrei Sakharov wrote and said in criticism of the tightened controls than the fact that these two men were able to surmount the walls of censorship. Denied a forum in their own country, they found a way to communicate with the West, which then carried their dissenting judgments back to the millions of radio listeners in the Soviet world.

It mattered not that Solzhenitsyn's message was essentially Russian-nationalist-populist, and Sakharov's was world-oriented. What did matter was that they were voicing doubt about the Kremlin's sincerity in pursuing *détente*, that they spoke of the inequity and harshness of the Soviet system, and that they argued that national progress was possible in the homeland until and unless the restraints were removed.

It is sometimes argued in the West that such heresies embrace only a tiny portion of the population in the Soviet Union and its bloc. This is not a valid argument. Russia's history over the past two centuries is the best proof of the crucial role the intellectuals have played in the nation's life. Indeed, when the Bolsheviks seized power, they themselves were the beneficiaries of the "Decembrists" of the early nineteenth century, of "Narodniki" (Populists) who, very much like Solzhenitsyn, pinned their faith on the people, and of the magnificent men (much like Sakharov) whose ideas affected an ever-widening circle of Russia's policymakers. Sakharov notes that some of the essays he was not permitted to publish

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and that found their way into *samizdat*, eventually appeared in the *Political Diary* ("a supposedly secret publication, something like *samizdat*, for higher officials"). Can the intellectual soil at these high levels be so barren that no seed would take root in it?

Moscow has at all times been aware of the explosive power of ideas in Russian society — and Stalin would not have hesitated to ship Solzhenitsyn and Sakharov off to Norilsk or Magadan. But, in 1973, the men at the Kremlin were reluctant to chance the reaction that any such action might produce in the West. Thus, harassment was chosen instead. Sakharov was demoted, and his pay was cut; members of his family suffered grievously; and he himself has been the target of party-directed abuse in the national press and radio.

When the same kind of repressive acts failed to break Solzhenitsyn, he was forcibly sent into exile abroad earlier this year. At the same time, the whole machinery of propaganda was put to use to blacken him as a man and a writer. He has been accused of being a traitor and pro-Nazi, of serving the ends of the U.S. Central Intelligence Agency, of hating and maligning his own country, and of support-

ing racists, fascists and Zionists abroad. He was said to have been arrested during the war not for saying unkind things about Stalin in a letter to a friend but for passing military secrets. And men who could not conceivably have read his major works were trotted out before microphones to denounce him as a mediocre writer, a hack. The decision clearly was to destroy his reputation, to weaken the impact his works (circulated in *samizdat* or broadcast by the West) would have on the thoughts and attitudes of, at least, the intellectuals.

* * * *

Thaws and freezes

Soviet history since Stalin's death is a record of alternating thaws and freezes. It was Nikita Khrushchov's thaw, in fact, that made Solzhenitsyn's name famous across the land. Now, the intellectuals had hoped that *détente* would bring with it the warmest, the most glorious, thaw yet. Instead, in despair and disbelief, they saw the hard-liners at the Kremlin prevail.

This policy is not likely to be moderated. It is characteristic that, when Senator Edward Kennedy came to Moscow in

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during period
of Khrushchov
but hard-liners
now prevailing*

There are two theories about the effect of *détente* on dissident opinion in Communist East Europe. One estimates that, as tensions slowly ease and there is a relative increase in contacts between that area and the West, the amount and degree of dissent against prevailing authoritarian rule will lessen because the political system itself will become relatively softer.

The second... reckons just the contrary. It calculates that penetration of democratic concepts of freedom — bound to grow as international confrontations fade — cannot help but promote new showdowns between independent-minded individuals and governments determined to control them.

Having recently discussed this subject with persons directly involved, I have been persuaded that the first, relatively easier, trend will be the initial reaction, but that it will lead to a subsequent tougher situation when states like Russia recognize what is taking place.

Right now it is indicated there are fewer proclaimed dissidents inside the

U.S.S.R. Yet, although the quantity of dissidence is perhaps diminishing, the quality of those remaining in opposition is annealing, tempered in the furnace of oppression. Two names instantly come to mind in this respect: Alexander Solzhenitsyn, the fearless Nobel Prize-winning author..., and Andrei Sakharov, father of the Soviet H-bomb and an internationally-renowned scientist.

Solzhenitsyn's is that kind of indomitable free spirit forged occasionally by a brutal system seeking to squash rather than nourish a soul... Sakharov is less flamboyant, less pugnacious, but not less courageous. He has in a sense staked his destiny on the ultimate triumph of what is ideological convergence — an idea once popular in Yugoslavia — which sees an eventual merger of Marxist-Socialist and capitalist-democratic systems. This seems like a gentle form of gradualism, but is recognized as especially dangerous by present Soviet leaders.... (C. L. Sulzberger in *The New York Times*, February 13, 1974)

April and attempted a dialogue with his audiences, he found himself utterly thwarted by officialdom. The party line has been as unyielding at every other point of East-West intellectual contact.

Thus the West is offered two unpalatable choices. One is to accept a formula of pious generalities. The other is to let the Geneva discussion of "Basket Three" simply drift on, in inconclusive wrangling. If the former course is adopted, the Soviet view of *détente* will have prevailed — with

its emphasis on trade, credits and limited armament controls, but with solid walls barring the entry of Western ideas and intellectuals. This is not what the West had hoped for in the first glow of concord. In fact, if this does come to pass, it will perpetuate the division of the world into two camps, suspicious of each other, denying close contact, and — as Moscow would have it — engaged in a sharp ideological and political conflict until that distant but glorious day when Communism prevails.

The state of détente

The illusions in the search for East-West accommodation

By Lewis S. Feuer

In every generation some new catchword arises which seems to dominate the making of foreign policy. In the Thirties, it was "collective security"; in the late Forties and Fifties, it was "containment"; now it is *détente*. Underlying these shifts in catchwords are alternations of emotion on the part of peoples and statesmen. The policy of one era reaches what seems a point of diminishing returns; a hope arises that a reversal in direction will bring fresh results.

Détente, which the dictionary tells us means a slackening or relaxing of strained relations between nations, means different things to the Americans and Russians. For Americans, it still signifies, naively, a friendship in which there is a free and open circulation and discussion of ideas, the recognition of an international intellectual community. For the Soviet Union, *détente* means first a subsidy of the lagging Soviet economy by the American people in return for a promise to reduce propaganda and to forebear provoking its client-states, such as Cuba and Syria, into dangerous ventures. Second, the Soviet regime aims to complete the weakening of the North Atlantic Treaty Organization and make possible in the near future the U.S.S.R.'s political hegemony on the European continent.

Détente has been achieved in the past despite the most basic differences between the contending countries. Such scholars as Hans J. Morgenthau maintain that "as

long as the excesses of domestic brutality in the Soviet Union indicate the absence of . . . a common moral framework, *détente* can only be limited and precarious". The bitterest European enemies for two centuries were Britain and Spain; their rivalry was the dominant fact of European history as they fought each other from the Low Countries to the Caribbean. Britain detested Spain and what it stood for, the Inquisition and absolute monarchy. They shared no common values. But *détente* was possible because Spanish imperialism was ceasing to be of an expanding kind, as its economy lagged and its population sagged. *Détente* can work between powers which are ideological enemies provided that one of them is in a declining stage and poses a diminishing threat to its opponent.

Now it is true that, after more than half-century of Soviet Communism, Russian labour and industry still lag in productivity at less than half the American figures, and that its collective agriculture still limps behind the achievements of the small sector of private farming. The wealth extracted from the satellite countries has helped the Soviet economy much in the past but, after 1968, it was decided not to exploit Czechoslovakia so much; meanwhile, Cuba was a perpetual drain on Soviet resources. The new Soviet principle is, therefore, to co-operate with foreign economy and science in every region where it is losing in the competitive race. T

Soviet Union had no desire for co-operative ventures with the U.S.A. so long as it thought itself out in front with *Sputnik*; now that it has lost out badly, and has not yet landed a man on the moon, it has decided to co-operate with the United States.

The Soviet Union is counting on American generosity, enthusiasm, and naiveté to secure an American subsidy to revivify its industry. The American people in 1973 subsidized the sale of grains to the Soviet Union by more than \$300-million and their own higher prices. The Russians want liberal credits because they have few commodities to sell. They ask Western technology to develop oil and natural gas resources in return for promises of sales in a distant future. By that time, inflation or politically-engendered problems may be counted upon to have wiped out that debt, as it virtually did the Lend-Lease account. The Russians want credits from the U.S. Export-Import Bank at an interest rate of 6 per cent at a time when American corporations have to pay more than 10 per cent. The American people are expected to sacrifice the difference and, moreover, to guarantee in large part the investments of those American corporations which would otherwise be deterred by the objectively unfavourable risks of business with the Soviet Union. Meanwhile, the West Germans, unlike the Americans, have just been given in March 1974 \$1-billion in cash by the Russians for undertaking to construct an iron and steel combine at Kursk.

Illusion of friendship

Certainly, the United States would and should be prepared to enter into similar cash transactions with the Soviet Union. The Russians do have money available, principally from the \$2-billion to \$4-billion in cash that they gained from their sales of military goods to Egypt and Syria for the Yom Kippur War. Saudia Arabia provided most of that money, which was extorted from Western European and American consumers and corporations. But it is an illusion on the part of American statesmen to think that, if they give credits to the Soviet Union, they will win its friendship. The whole postwar experience with such countries as France and India shows that they became more anti-American the more American aid they received.

In the long run, American and Western Europe will feel secure only when a liberal government comes to power in the Soviet Union. So long as a dictatorship rules with its police apparatus, there is the unforeseeableness of a Stalinist decision. The Roosevelt *détente* in the Thirties,

the thousands of American engineers who went to the Soviet Union, the Ford Motor Company's constructing for Russia its first modern automobile plant, all the rhetoric of the People's Front, did not prevent Stalin from staging the frame-ups that destroyed the moderate Communists such as Bukharin, and from making the pact with Hitler that precipitated the Second World War. It is doubtful that *détente*, even on Soviet terms, will make appreciably easier the lot of Soviet dissidents today.

The essence of *détente*, if it were honestly conceived, would involve a principle of equivalence in intellectual relations. American speakers should be as free in the Soviet Union as Soviet speakers are in the United States. To take one example: on April 21, 1974, the Soviet delegate to the United Nations, Yakov A. Malik, addressed a luncheon in New York of one thousand supporters of the pro-Soviet magazine *New World Review*; to their applause, he assailed Senator Henry M. Jackson and other opponents of *détente* who "have not surrendered". Would the Soviet authorities similarly allow an American representative to address a luncheon of Soviet dissidents, and to criticize the Stalinist section of the Politburo? Until such equivalence is recognized, *détente* signifies a unilateral ideological disarmament by the United States.

Mideast as pawn

From this standpoint, the unrest in the Middle East is a pawn which the Soviet Union uses to extract concessions from the United States. The Russians simply say: "So long as you don't accept our terms on trade, nuclear weapons, and your unilateral political withdrawal, we shall stir the Arab countries to make war on Israel." The anti-Israel policy comes easily to the

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Canada Wide P

President Nixon plunges into a Moscow crowd during a break in his summit sessions with Leonid Brezhnev. On his return early in July from the six-day summit, Mr. Nixon said the growing network of agreements with the Soviet Union would help to create "new habits of co-operation".

The accords, he suggested, gave both the Soviet and American peoples "not just a negative but a positive stake in peace". Critics of détente have argued that the United States is losing ground to the U.S.S.R. in the exchanges of the past three years.

Soviet leaders who in 1971 and 1972 allowed more than 30 anti-Semitic books and pamphlets to be published in various languages. Soviet leaders became alarmed when Egypt, having narrowly escaped a military defeat in the Yom Kippur War, decided to consolidate its gains and accept a possibly long-term truce. They publicly rebuked the Arab countries for having acquiesced in a truce with Israel on the given terms, and turned to Syria, which was more politically susceptible to Soviet influence.

The Soviet regime has a powerful leverage in the Middle East. Soviet leaders reckon that the United States is emotionally exhausted; the impasse of the Vietnam War, the virtual isolation of the United States in its support of Israel, the morass of Watergate, have drained the American people of their past idealistic goodwill. In a crisis, Israel might finally stand virtually alone — a new Warsaw Ghetto transplanted to Palestinian soil, and waging its last battle. But the Russians hesitate at the prospect of a final Middle Eastern pogrom. The hatreds unleashed, the terrorism, the violence of the extremist factions supported by Maoist China, are all imponderables.

If the Middle East ignites in v against Europeans, will the trend spread to the Far East? If the United States were previously to join with the Soviet Union in renouncing nuclear warfare, that would be a great gain for the Soviet Union, because then its massive conventional army would give it paramouncy in Europe. By the same token, a nuclear renunciation would mean that the more numerous Chinese conventional forces might acquire paramouncy in Asia and Siberia over Soviet ones. Or could a nuclear renunciation be confined to the Western countries and peace in the Middle East be added to the bargain, in return for a Soviet hand against the Chinese? On all these points, Soviet policy is for the moment indeterminate. The Kremlin awaits Mao's death; a post-Maoist China might be sufficiently post-ideological to discard ambitions of leadership of a Third World. In that case, Soviet expansionism would have a free rein in Europe and the Middle East.

Cash-and-carry approach

And what of the warning of the liberal Soviet physicist Andrei Sakharov that "any easing of relations with the West would be illusory unless it was associated

After impasse of Vietnam and morass of Watergate, U.S. envisaged as emotionally exhausted

by mutual trust and democratic reforms leading to a more open society within the Soviet Union"? It would be a far greater illusion to expect that the Soviet Communist regime would, in response to American diplomatic pressure, enact basic constitutional reforms which would end its monopoly of power. When that change comes, it will probably be the outcome of a massive internal economic collapse. Meanwhile, the West can pursue a policy of *détente* of a cash-and-carry kind. Nothing more is called for. Anything more would really be self-defeating.

What is tragic is that the Soviet dissidents thus far do not constitute a real political alternative. Persons of remarkable character, they are, for the most part, purely intellectual dissenters; they do not think as a political opposition. In exile, it is noticeable that they have not tried to start a journal of opposition, or a political party to challenge the Bolsheviks. They have no *Iskra* yet — not even a *Kolokol* —

nor does there seem to be any organizing Trotsky or Lenin among them. They may not have the initiative to try to found their own radio station to broadcast to the Soviet Union — and, indeed, what European country, in the present intimidated climate, would grant a licence to Radio Samizdat? America wishes them well. But, as Britain in the eighteenth century could not base its French policy on the hope of the Huguenots coming to power, America will not be able to found its policy on winning freedom for Soviet dissidents. The issue of their emigration, as well as that of the Jews, from the Soviet Union is quite a different matter. Here the Soviet regime has rediscovered the advantages of the Czarist policy of exporting its internal enemies. Since the Soviet border is far more rigorously safeguarded, they expect no repetition of the smuggling of a dissident literature on any large scale. On this issue, American negotiators may expect an unusual degree of Soviet pliability.

Dissidents do not think as political opposition, hence represent no alternative

The state of the détente

Interpreting Moscow's aims within the Communist ranks

By Luc Duhamel

The policy of *détente* that Leonid Brezhnev is pursuing is not only the policy of the Soviet Government but is also that of the Soviet section of the Communist International. Have the Communists changed? Not at all. They have not renounced their aim of aggression one iota. The new tactics are intended to achieve the same goal without the slightest risk or harm to the countries already living under this totalitarian regime — in other words, the countries that know how to cater to the Russian national egoism. By way of example, we shall take the case of the French Communist Party. How does it interpret this policy of *détente* between the Kremlin and the White House? What advantages does it hope to gain from it?

The Soviet Union wants to establish, in conjunction with the United States, a kind of supreme authority in international relations based on their monopoly of nu-

clear warheads. The two superpowers would supervise conflicts and would ensure that they were non-violent. Although one is striving for the expansion of Communism and the other for the maintenance of capitalism, they are nevertheless both motivated by a common interest — the preservation of humanity in the nuclear age. Each of them benefits from this arrangement.

In France, exactly the same situation obtained. The Communist Party, of course, had no instruments of coercion to use, but Soviet and American activity in the world

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*Middle class
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with Communists*

was endorsed and followed in France. The forces of reaction could no longer use the pretext of an external danger or the threat of a war of conquest in order to do away with the leftist parties and democratic organizations. The middle class had to make concessions and learn how to get along with the Communists. Confrontations between the classes had to assume certain accepted forms on both sides. It was to the advantage of the middle class to take steps to ward off the danger of a nuclear war. The novelty of our time is that the middle class has become vulnerable. War, which was the traditional panacea for all its ills, has now been transformed into an agent of self-destruction. The condition for survival is to renounce certain forms of battle, to refuse to resort to war as a means of breaking the deadlock.

Effects of a thaw

An atmosphere of peace would favour the flourishing of Communism. In the forefront of triumphant socialism, we find the action of the Soviet Union's Communist Party, which, by its resounding successes, has stimulated and multiplied tenfold the fervour of the French Communist Party. The victories achieved in the building of socialism in the U.S.S.R. create a favourable climate for *détente* in the world, and the thaw in East-West relations in turn strengthens and accelerates the building up of the Soviet regime.

It is impossible to deny the marked superiority of the American standard of living. The French Communists, however, believe quite sincerely that this gap can be bridged within a short time. This reversal of roles, first and foremost in the area of consumer goods, will be a deciding factor. The U.S.S.R. will become a sort of "showcase of socialism", and its magnetism will be almost irresistible to the masses of the West.

If Soviet Russia has become the top scientific and technological power, why should it not soon become the top industrial nation? This is the line of argument adopted by the leaders of the French Communist Party. Once again, it is a vote of confidence in the Soviet Union.

This strategy may, for other reasons, advance the interests of the French Communist Party. It is a sort of umbrella against American intervention in case of a takeover of power by the left. It was certainly not anticipated in the negotiations between Mr. Brezhnev and U.S. President Richard Nixon that the Communist parties would have a free hand. There is no mention of this in their press releases or in their discussions, but it is

consistent with the spirit of their policy of peaceful co-existence. For Brezhnev, relations between states should obviously be governed not only by the principle of abstention from military intervention but also by a willingness to refrain from interference in the domestic affairs of another country. More than ever, national sovereignty seems to be a sacred principle, or that is not to be subject to any limitation.

The Communist Party has a free hand in France — that is how Georges Marchais, Secretary-General of the French Communist Party, interprets Mr. Brezhnev's policy of *détente*. (Marchais, *Le défi démocratique*, Grasset, 1973, P. 237.) Above all, this is why he supports it. The establishment of good relations between Washington and Moscow is the new tactic of the international Communist movement, using to prevent American intervention in France if the working class should take power. At present, this role of dissuasion falls essentially to the Soviet section of the Communist International. By tying the hands of imperialism, the Kremlin would open new possibilities to the French Communist Party. The intensification of trade and exchanges of every sort would weave powerful ties, lasting relations, between America and Russia. This is not the situation that prevails, since commercial exchanges are still at a ridiculously low level. What is important to bear in mind is that the French Communists would like to see a strengthening and increase in the ties between the two great powers. In that way the Americans, if they were to strike a blow against peaceful co-existence, would have a great deal more to lose.

Exploiting the differences

By refraining from intervention in France or elsewhere, American imperialism, in safeguarding its own interests and ensuring, at least for the moment, its own survival. However, it can only become stronger by becoming weaker, in the sense that it must fall back within its own borders. It is the socialist camp that is forcing this withdrawal on it. Pull back in France and elsewhere in order to advance at home. Good relations with the socialist countries would be worth more than the risks of having a Communist Party participating in the Government of France, provided that victory were accomplished in a legal manner. The partners are bound by the rules of the game. To strike a blow at the rules would jeopardize the very existence of the game. Paradoxical as it may seem, America needs Communism. Losing ground to its competitors in the capitalist world

the United States must react. The reason for this decline seems simple — America, almost single-handedly, is assuming the burden of the arms race. The same is true for the U.S.S.R. A major portion of the economy is devoted to this non-productive sector. At present, however, they are more concerned with establishing parity than with pursuing this race. On this level, the adversary becomes the ally and the ally the adversary. This parity is no longer to place them in opposition to each other but rather to unite them against their allies, to reinforce their respective hegemonomies. Each of them is anxious to safeguard the leadership of the other in his own camp. This position is valuable for preventing, or at least controlling, the proliferation of nuclear weapons.

Trade competition from Western Europe and Japan is undermining the economic supremacy of the United States, and there are groupings formed primarily in opposition to the United States. The best example, of course, is the European Economic Community. However, since the Eastern markets appear highly promising, why should the United States not be tempted to turn to the U.S.S.R. to strengthen its positions *vis-à-vis* its Western competitors? The French Communist Party, moreover, would not mind seeing Europe free of the American embrace. The United States would find greater advantage in having the socialist countries as a trading partner, although the latter would stand to gain more than the former. Consequences of a non-economic nature — for example, military consequences — would certainly follow. Military blocs and foreign bases would have less and less reason for existing. Why should the Americans continue to bear these onerous expenditures if they had before them a U.S.S.R. that was determined to be a loyal and peaceful trading partner?

Regaining position in Europe

The Americans might then feel they would be able to regain their postwar position in Western Europe. But the attraction held out by the Eastern European countries would be stronger; and, in any case, Western Europe — the Common Market is a current example — would act in such a way as to protect its markets. On Mr. Marshall's and Mr. Brezhnev's side, then, the one is one of optimism — a boisterous optimism. The adversary can be beaten without the price being too high. The proletariat can use the political instruments of the bourgeoisie. The means of struggle are identical with those of the liberal middle class. The Soviet Union, the

socialist countries, would do the rest. Until now, the big enemy has been American imperialism, accused of keeping France under its thumb. Soon, thanks to the Soviet policy of peaceful co-existence, so the argument runs, the United States will find itself being offered more opportunities for coming to terms with the U.S.S.R. than with its major Western rivals, including France. This is especially true for the French middle class, where resentment toward the Anglo-Saxon world is particularly strong.

The French Communist Party, as an integral part of the Communist world, has certain obligations to fulfil. Closely associated with the Soviet Government, it too has pledges and assurances to give to the Americans. It must first show them that the hour of revolution has not struck in France and that, in any event, a fundamental change would not adversely affect American imperialism. Above all, there is no question of a revolution in international affairs, or even at home. Armed rebellion is considered a violation of the rules of peaceful co-existence between the two big powers. Demands are restrained and defused of any explosive content. Phrases such as "the dictatorship of the proletariat" are no longer appropriate, such slogans being considered — under the policy of *détente* — as provocations.

It must be emphasized, however, that the ultimate objectives of Communism have not been renounced but rather postponed. In the meantime, they must not even be mentioned. In return for the respectability and moderation of these objectives, the Americans might allow them a certain legitimacy, tolerating them as long as they are not identified as Communist. For that reason, the Communists are partisans of an alliance with all left-wing forces and they preach a vast anti-monopolistic consolidation. In a way, they are hiding within a large united front. The policy of *détente* is expressed in France through a strategy of concealment (Michel Jouet, *Le socialisme se porte bien*, Editions Sociales, 1974). The Communist Party is creating a new image for itself; it is giving an impression of change, of evolution; but the more it changes, the more it remains the same.

Anti-China posture

There is also an element of anti-Chinese momentum in this Moscow-directed policy. The fact that we have not mentioned it until now does not mean that it is of little significance. It is no secret to observers that this opening to the West goes hand

*Communists
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in hand with a growing determination to have a free hand in dealing with China. This brings with it a relaxation of the obligations of the Communist parties, and of the French Communist Party in particular. The chief enemy is no longer the Federal Republic of Germany but Peking. The French Communist Party, by curbing its demands, is in a position to reconcile itself with the social democratic parties. In France, Mr. Brezhnev's anti-Chinese speech will take on an increasingly anti-leftist tone. Block the road, isolate the

extreme left; give first priority to the struggle against Maoist ideology in France. Practise a policy of consolidation, dismount both the extreme right and the extreme left, the Maoist and fascist groups there are the political forces in France most hostile to Mr. Brezhnev's policy of *détente*.

In conclusion, it can be said that this is the reasoning of a party that, like the Russian "big brother", is trying to convince the world that it is a homebody, insular and unwilling to take risks.

Improving U.S.-Soviet relations...

The following are excerpts from the communique issued on July 3 after its signing by President Richard Nixon and Leonid Brezhnev, Soviet Communist party leader:

Having considered in detail the development of relations between the U.S.A. and the U.S.S.R. since the U.S.-Soviet summit meeting in May 1972, both sides noted with satisfaction that through their vigorous joint efforts they have brought about over this short period of time a fundamental turn toward peaceful relations and broad, mutually beneficial co-operation in the interests of the peoples of both countries and of all mankind.

They emphasized the special importance for the favourable development of relations between the U.S.A. and the U.S.S.R. of meetings of their leaders at the highest level, which are becoming established practice. These meetings provide opportunities for effective and responsible discussion, for the solution of fundamental and important bilateral questions and for mutual contributions to the settlement of international problems affecting the interests of both countries.

Strategic arms

In the course of the talks, the two sides had a thorough review of all aspects of the problem of limitation of strategic arms. They concluded that the interim agreement on offensive strategic weapons should be followed by a new agreement between the Soviet Union and the United States on the limitation of strategic arms. They agreed that such an agreement should cover the period until 1985 and deal with both quantitative and qualitative limitations.

Taking into consideration the inter-relationship between the development of offensive and defensive types of strategic

arms and noting the successful implementation of the treaty on the limitation of anti-ballistic missile systems concluded between them in May 1972, both sides considered it desirable to adopt additional limitations on the deployment of such systems. To that end they concluded a protocol providing for the limitation of each side to a single deployment area of ABM systems instead of two such areas as permitted to each side by the treaty.

Nuclear tests

Having noted the historic significance of the treaty banning nuclear-weapon tests in the atmosphere, in outer space and under water, concluded in Moscow in 1963 to which the United States and the Soviet Union are parties, both sides express themselves in favour of making the cessation of nuclear-weapon tests comprehensive. Desiring to contribute to the achievement of this goal, the U.S.A. and the U.S.S.R. concluded as an important step in this direction the Treaty on the Limitation of Underground Nuclear Weapon Tests, providing for the complete cessation, starting from March 31, 1976, of the tests of such weapons above an appropriate yield threshold, and for confining other underground tests to a minimum.

Both sides expressed their conviction that successful completion of the Conference on Security and Co-operation in Europe would be an outstanding event in the interests of establishing a lasting peace. Proceeding from this assumption, the U.S.A. and the U.S.S.R. express themselves in favour of the final stage of the conference taking place at an early date. Both sides also proceed from the assumption that the results of the negotiations will permit the conference to be concluded at the highest level.

Impact of the energy squeeze on evolving balances of power

By Nicholas G. L. Vincent

The recent chaotic scene that enveloped the international energy "crisis" has thoroughly disturbed former assumptions about the evolving balances of power. Whether the bases of these have actually been changed or whether there have been genuine degrees of speeding-up or slowing-down in the shifting balances will not be clear until the period surrounding the Arab-Israeli war of October 1973 can be seen in perspective.

One fact is clear: the recent grave supply problems of petroleum are part of a trend that was only highlighted by the oil boycott imposed by the Arab nations. Previous to the embargo, the United States and other non-Communist industrial nations were already on a consistent course of needing increasing imports of oil from member states of the Organization of Petroleum Exporting Countries (OPEC). This trend and the accompanying projections showed an ever-increasing need for petroleum imports, a trend that would only be lessened over a period of decades. Such a development would be achieved by the expansion and introduction of nuclear and more exotic sources coupled with application of advanced technology and heavy financing to increase supplies from conventional hydrocarbons sources, from oil sands and oil shales and from frontier oil and gas reserves.

For all the oil-importing nations, the warning, however, was there and it was clear: there would be no way they could escape an increasingly vital dependence on supplies from OPEC states for a good number of years. The economic, technological and environmental barriers to the speeding introduction of increased "home" energy supplies pose problems of sufficient magnitude that there can be no quick changeover to these sources — within the limits of economics and technology. Thus there is no escape for these oil-importing states from a growing interim dependence on external sources of supply.

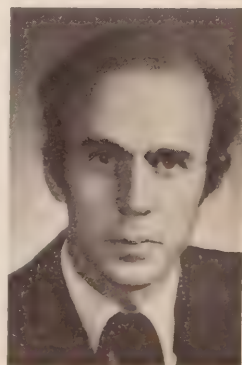
In most industrial nations, the risk was recognized, and foreign policies were

strongly influenced by this. However, the lack of a real apparent energy crisis until the winter of 1972-73, when real shortages became apparent in the United States and elsewhere, was not a sufficient spur to impel governments and populations toward crisis perspectives on the management of energy resources and supplies and future national internal and external policies. Even that winter's shortfalls appeared to be largely a problem of refining and allocation management, rather than supply. There was a lot of truth to this view, but the boycott resulting from the Arab-Israeli war touched off alarm bells in the industrialized nations. They were forced into an uncompromising confrontation with their own energy supply and consumption growth and allocation patterns.

Patterns altered

This self-confrontation could do little to provoke immediate change in existing supply patterns, although consumption patterns were drastically altered or curtailed, as witnessed in the widespread gasoline and heating-fuel supply problems of the industrial states. These curtailments were effective in reducing consumption, but were generally responsive and *ad hoc*, and could do little to provide a basis for future national policies of greater self-sufficiency. Even with the introduction of carefully-considered policies, it is now being realized that, no matter how carefully the indus-

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trialized nations may shepherd and allocate their energy resources, they cannot escape a growing dependence upon imported energy until beyond the end of this decade. By then, however, it should be very clear how the affected states have fared and will fare in relation to their longer-term international power and energy needs. The energy problem will have by then produced policies and defined reactions to a clearer extent than now.

With the period of the late 1970s and early 1980s in mind, several interesting factors concerning future balances of power emerge. These factors involve the amounts of self-sufficiency the industrial nations desire, and the economic and social prices they are willing to pay to approach this goal. That is, a given state may decide to continue its dependence on imported supplies and save the cost of bringing in expensive "safe" replacement sources, or it may through a combination of initially costly replacement programs and certain conservation measures, opt for the goal of eventually limiting or freeing itself from the needs of imported energy. (In this sense, "imported energy" means energy imported from the OPEC states into a given geographical area, which may consist of more than one state, i.e. the European Economic Community). By taking some of these factors and looking at their interactions in a global sense, some indicators of future power may be discerned. There are one or two surprises and one currently very well hidden "winner" in these sweepstakes aimed at gaining the cheapest environmentally-acceptable energy at the lowest cost on the safest possible basis of supply.

We have currently a situation involving two aggressive global power blocs, the United States and the U.S.S.R., with an increasing influence from China, and extensive global economic participation by the European states and Japan, although the longer-term outlook for these latter states is unclear. While the internal problems of such organizations as the EEC are definitely not over, the general trend for the global powers appeared until recently to be one of increasing economic competition or co-operation, with attendant political activity. Although this will, in one form or another, be the course in future, the energy crisis has vastly changed the stance of the players — and added to their number.

Power and the producer states

First, the members of OPEC, and especially that segment involving OAPEC (Arab OPEC members such as Kuwait,

Saudi Arabia, Libya and the Gulf States) have gained recognition as having formidable powers in their own right. They are now recognized as having an influence by means of energy that extends into every walk of the economic, industrial, and domestic life of each individual in the industrialized states. Although they may continue to have internal divisions politically and in their external marketing approach, they have established themselves in the consciousness of the importing nations as a "force" that can act sufficiently in concert to have a decisive effect upon the welfare of these states. The fact that individual OPEC members were making separate deals with industrial importer states during the boycott does not affect the generality of this image. However, the straight political "clout" of the OPEC stand during the recent supply crisis was itself as much derived from the question of economics and the supply of oil as from big-power confrontations. It is these economic and supply factors, whether the OPEC states act in concert in the future or not, that point to a disconcerting trend. This trend is concerned with the increasing chaos in the world monetary situation.

The Middle Eastern reserve situation totals approximately 350 billion barrels of oil out of a global supply of 650 billion barrels, including the 100 billion in the Communist bloc. Even with this holding, the Arab states and Iran are beginning to become wise shepherds of their precious resource. Individual states are implementing, or are considering implementing, controls on the production and export of oil in order to stop the too-rapid depletion of reserves. As a result of this and the continuing nationalization of controls on production and export, no matter how congenial relations may again become between selling and purchasing states, the price of oil will not drop to anywhere near its pre-crisis levels. Allowing for the temporary fluctuations in price, and allowing for alterations in demand, it is still possible that the Arab states and Iran alone, could be garnering as much as \$18 billion a year on oil sales by 1980. This figure is as conjectural as any other, but it can be said to be based on the high medium point of current supply and price projections. At best, it is merely illustrative, in order to give some idea of relative possible incomes and wealth of the producers in relation to consumer states. The economic effect of this inflow of capital is impossible to predict, except to say that global monetary balances are going to evolve in a startling form over the next few years.

Nation may opt for the goal of gaining freedom from needs of imported energy

Energy crisis has altered power balance, giving OAPEC more influence

The sheer economic weight of this capital accumulation, apart from the physical power of controlling the taps of a major segment of the world's oil-production, bespeaks a situation where the rising star of Arab and Iranian power will reach its zenith in the 1980s. Whether it will stay there following this period depends primarily on:

- (1) how these states allocate this wealth toward creating in themselves balanced strong and stable societies as a lien against the day when oil-reserves "bottom-out"; and
- (2) how the importing states have handled their growth demand-patterns and their sourcing measures for future energy requirements.

Of course, there are, as well, the lugubrious unknowns of wars, famines and global economic collapse, and their constant nearness in a gravely-troubled world. Assuming avoidance of these in their gravest form, the economic wealth of the OPEC states is nearly inevitable; there is no way the consumer states can escape their dependence on this oil in so short a time. There is no way the OPEC states can escape the inflow of incredible riches.

Oil-financed investments

To add to their burgeoning strength, these states may accelerate and expand a process upon which some of them have already embarked — investment in states beyond their OPEC frontiers, using their oil revenues. This is already happening in a number of ways, from their interests in North Sea oil-fields to their investments in real estate in the continental United States and elsewhere. If this disbursement of oil revenues grows, there may be more optimism for the future of international peace. Not only will such investments have demonstrated an outlook beyond purchasing arms and capital goods, the reinvestment of capital in countries of its origin would undoubtedly help international monetary balances while laying the groundwork for a mutual dependency of economic trust. However, such optimism must always be tempered with the uncertainty of global politics. Whatever the course of events, the economic and political dislocations involving the Middle East and oil will have an incalculable effect on the world's economy in the next decade.

The industrialized non-Communist world has several options open to it as future courses, though these only become increasingly diverse with the passage of time. In the next decade, as indicated earlier, the results of decision to follow a given course will be only gradually ap-

parent, as the switch to new reserves or alternate means of provision will take longer. However, the decisions made by importing states during this time will be vital to their interests beyond the turn of the century. Basically, they will involve two considerations: supply of energy and the conservation of energy in use. President Richard Nixon has stated the aim of making the United States self-sufficient in energy by 1980. It is certain that, even by applying all "crash" techniques for gaining new energy, the process will take longer, and that, in the interim, the United States will be more dependent upon OPEC oil than it is today — that is, if it is to maintain a comparable growth-rate.

Japan is physically in the most precarious position, although, in relation to the recent boycott, it survived curtailments in supply better than most observers had expected. Beset by serious pollution and growth problems domestically, and with almost no home petroleum production, Japan is still vulnerable to the slightest change in the global oil-supply situation. This has led Japan to participate in bilateral deals with OPEC states, possibly more aggressively and at higher prices than the other major importers. Its home nuclear-development program, aligned with new energy conversion processes and imports from offshore, Indonesian, Chinese and Siberian oil and gas reserves, may eventually reduce Japan's dependency upon OPEC. Soaring Japanese demands for energy fuels may also be cut back, if the adverse effects of growth are to be lessened by slower industrial expansion. However, despite these measures, Japan in the 1980s will be heavily dependent upon Middle East suppliers.

Europe's attitude

Continental Europe is by no means acting in harmony in its approach to energy supply, although there is continuing co-operation at many levels of the OECD and the EEC. France's independent oil dealings with OPEC, and the allocation and export of Dutch offshore natural gas and the isolation of the Netherlands in the Arab boycott are but a few of the indicators that, in energy at least, Europe will often continue to be receptive in parts, rather than as a bloc, in dealings with OPEC. It is possible that, by the next decade, Europe, through nuclear and advanced conversion technologies and North Sea production, may have some control over the rate of demand for imported oil.

In this area, the North Sea is the most exciting theatre of development. The Netherlands has already reaped benefits

*United States
cannot meet
Nixon timetable
for achieving
self-sufficiency*

Norway, Britain
may emerge
as states
on the road
to energy
self-sufficiency

from exploitation of its offshore natural gas reserve, but Norway and Britain emerge as states well on the road to energy self-sufficiency. Norway has natural gas and oil reserves proving up beyond its own limited capacity to absorb the production, but Britain, as a major industrialized world power, is of particular interest in relation to its evolving energy situation. The series of discoveries by various oil groups operating in Britain's coastal waters make petroleum self-sufficiency for Britain by 1980 more of a probability. If Britain does become self-sufficient, the possibility of a British industrial renaissance from its present troubles also becomes a probability, as, with Canada, it will be the only major non-Communist industrialized nation to be self-sufficient in home-produced oil.

From these brief projections, a picture begins to emerge of a world of the 1980s where the United States, Japan and continental Europe will have had to continue to tailor their external policies with the OPEC powers in mind; where Britain may be a much happier and healthier state than it is now; and where the Middle Eastern nations will have great inflows of wealth. The global economic picture appears to be as confused by this amassing of capital as it is today. The effects of the burgeoning power of states such as Brazil and the relative political positions of Israel, the United States, the Soviet Union and Israel's Arab neighbours can only be conjectured. The resultant political pressures on the United States by Arab OPEC states may be even greater as a result of the U.S. dependency on Arab oil throughout this decade.

Hunger in Third World

One very sad issue emerges from this complicated and, of necessity, very generalized projection — the condition of the Third World. Beyond any of those Third World states which might reap, from their own production, part of the oil bonanza

lies a world of hunger and poverty. To add to their disasters of war drought, famine and flood, and too little food for too many mouths, the peoples of South and South-east Asia, much of Africa and part of South America have now had their hopes of recovery much diminished by the energy problems and current and incipient economic dislocations. There is no way that their condition has been aided by the current upset. If the economy of the major industrialized states should be further weakened, then their aid will suffer. It can only be hoped that, if this does happen, the increasingly wealthy OPEC states will place a significant part of their oil revenue at the service of their less-fortunate neighbours. This process has begun, but much still needs to be done.

Even with their problems, the oil importing states are still immeasurably rich in comparison with the impoverished nations. In such desperately energy-important areas as agriculture, where fertilizers and modern farming consume immense amounts of energy, it is to be hoped that Western technology and aid will help these Third World states to overcome the problems of hunger and too-rapid population growth. Without such continuing efforts, despite the energy problems, the light of humanitarian ideals grows dimmer.

Lastly, one final question should be asked. We are frantically searching for new energy sources in order to ensure our continuity of growth and supply. But are we on the right track in seeking to support such growth, when it may be harmful in itself, both environmentally and socially? Are we sure that we know the ultimate effect of unlimited energy growth? Do we know what the easy availability of external energy sources does to us and our language and our perceptions in the not-so-long run? Is there a threshold where speed of growth and speed itself as an end begin to distort the basic assumptions on which our visions of humanity depend?

Walter J. Levy, oil consultant to industry and governments, in *Foreign Affairs*, July 1974, on world oil situation:

... Four elements are necessary to move to a reasonable adjustment: far-reaching co-operation among the oil-importing nations; an understanding by the importing nations of the producing countries; a clearcut (and painful) program of energy austerity by the oil-importing countries; and a recognition by the producing countries that even in an austerity situation any attempt to hold prices high must

result in world-wide dangers to which they could not be immune . . .

The key to a reasonable solution is time: to make the financial burdens in oil-importing countries tolerable and bridge the gap until the day . . . when the producing countries, at least in the aggregate, will have reached the point where they can be paid in goods and services at where they will have joined, for all practical purposes, the ranks of the developing nations . . .

India's option: the nuclear route to achieve goal as world power

By Barrie Morrison
and Donald M. Page

"The ends of our security cannot be maintained against the background of isolation in scientific, technological, industrial, economic or political fields" warned Indian Foreign Minister Dinesh Singh in his speech to the Indian Parliament on April 8, 1970. Shortly afterward it was obvious that India had abandoned its attempts to become a great power through leadership of the nonaligned and had chosen a more direct and assured approach through membership in the "nuclear club".

Proof of membership, with all its status and prestige, was given on May 18 of this year when India exploded its first nuclear device. Pressure for such a course had begun when China joined "the club" soon after the Sino-Indian war of 1962. India's rapidly-expanding atomic energy budgets of this decade, coupled with its rejection of the nuclear club's discriminatory Non-Proliferation Treaty, provided visible evidence of New Delhi's determination. Such a course was consistent with India's ambition to be a world power, an ambition Canadians have consistently overlooked.

Official Canadian fascination with India began with mutual visits by prime ministers and foreign ministers in the 1950s. Canadian expressions of admiration for the Indian people, civilization and long cultural heritage were attempts to bring the two races and cultures together in a world peace enunciated so well by the commanding personalities of Gandhi and Nehru. India's eminence among the political and diplomatic nonaligned fitted well with Canada's atomic abnegation and its fancied role as a peacemaker. Their common devotion to peace brought them together in settling the Korean dispute and manning the international control commissions in Southeast Asia, but through all this Canada failed to comprehend India's motives and policies associated with its drive for becoming a power in its own right. With a more realistic assessment of India's quest for status in the world, Canada would have been better

equipped to accept India's use of Canadian assistance to acquire the credentials for membership in the nuclear club.

When Canada and India first began to co-operate on a nuclear program, Canada was known internationally as a junior partner in the development of nuclear physics, the end-product of which had shocked the world at Hiroshima. The significance of Canada's role had been accentuated by the revelations of the Gouzenko affair and Ottawa's membership in the United Nations Atomic Energy Commission. Even before Canada had fashioned its own policy on domestic and international control of atomic energy or the means for continuing full and effective co-operation with its war-time collaborators, the United States and Britain, Ottawa was embarrassed by early requests from Australians, Brazilians and Indians for access to its secret atomic research at Chalk River. It was in this early stage of uncertainty that Canada embarked on the path of shared development of atomic energy with India.

Among the nuclear strategists, India was recognized for its large deposits of

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Canada's position...

In two statements on May 18 and May 22 by External Affairs Minister Mitchell Sharp, the Canadian Government voiced serious concern over India's action in exploding a nuclear device on May 18.

Mr. Sharp noted in his statement of May 18 that the Government of India had declared the nuclear test was solely for research in the development of nuclear explosions for peaceful purposes. Canada has made it clear, the minister said, that it saw no distinction between the development of nuclear explosions for "so-called peaceful purposes" and explosions for military purposes.

In his statement of May 22, the External Affairs Minister said Canada was concerned as to the effect that India's action — whatever its motivation — would have on international efforts to limit and control the proliferation of nuclear explosion technology, for which there can be no distinction between peaceful and potential military application. "For all intents and purposes... India now has developed the capability of producing a nuclear weapon... The development of this technology by India is bound to have serious and widespread repercussions throughout Asia and the world.

Two decades of co-operation

Mr. Sharp said Canada was distressed and concerned that this latest member of the nuclear club should be a country with which successive Canadian Governments had carried on during the past two decades extensive co-operation in the nuclear energy field. Such co-operation had embraced the gift under the Colombo Plan of a nuclear-research reactor, the provision of credit, expertise, materials and fuel for two electric-generating reactors and a variety of technical exchanges and training of personnel. "All of this assistance," he said, "was intended to help India in meeting the critical energy needs of the Indian people and was provided to, and accepted by, India on the basis that it would be used for peaceful purposes only. We have made it clear in international discussions and in bilateral ex-

changes with India that the creation of a nuclear explosion for so-called peaceful purposes could not be considered as a peaceful purpose within the meaning of our co-operative arrangements."

The minister said that Canada fully respected India's sovereignty and independence in all matters but could not be expected to "assist and subsidize, directly or indirectly, a nuclear program which, in a key respect, undermines the position which Canada has for a long time been firmly convinced is best for world peace and security".

Shipments suspended

Mr. Sharp advised that Canada intended to reassess its nuclear co-operation with India. The Canadian Government had suspended shipments to India of nuclear equipment and material, he announced, and had instructed Atomic Energy of Canada Ltd. to suspend its co-operation with India regarding nuclear-reactor projects and the more general technological exchange arrangements which it has with India's Atomic Energy Commission.

Mr. Sharp said Canada would propose early discussions with India on relations between the two countries, including, in particular, a review of the "implications of this latest development for India's economic priorities".

Canada was conscious of the very large costs involved in the normal development of nuclear energy for peaceful purposes and an appreciation of the substantial additional resources — material, managerial and technical — which must be devoted to development of explosive devices. "Canada does not intend to share the burden of relieving such costs," the minister said. As a result, Canada was not prepared at this time to agree to any "roll-over" of India's commercial debt to Canada, which was largely related to India's nuclear energy program. However, the Canadian Government did *not* plan to interrupt its program of food and agricultural aid to the subcontinent, although it would review other elements in the current aid program in consultation with Indian authorities.

thorium, which was considered an alternative to uranium in the production of atomic energy. In 1947, Dr. Homi Bhabha, chairman of the Indian Atomic Commission and director of the Bose Institute at Calcutta, asked Canada for a ton of crude uranium oxide to allow Indian scientists to start experiments until Indian minerals could be used in the construction of an atomic reactor. With the blessing of the U.S. and Britain, Canada made the shipment in the hope that it would ensure future Western access to India's thorium supplies. Of more immediate significance was the liaison that developed out of this sale between Dr. Bhabha and the scientists at Chalk River. Not only was Dr. Bhabha an internationally-recognized scientist, he was also Prime Minister Jawaharlal Nehru's chief adviser on nuclear energy policy. He had charted a program for India that began with a natural-uranium heavy-water reactor capable of producing plutonium as a fuel for a second-stage development of fast breeder reactors. These reactors would be fueled by Indian thorium and, because they produced more fissile material than they consumed, U233 would be produced in sufficient quantity to enable India to have an independent and versatile nuclear program. The same flexibility that governed Indian foreign policy was the key-stone of Dr. Bhabha's civil atomic energy program and kept open the prospect of the development of a weapons technology.

Acceptance in the mid-Fifties of nuclear technology to power future industrialization accentuated India's failure to keep pace and, in 1955, Dr. Bhabha let his scientific friends in Canada know that India was seeking a nuclear reactor for power generation. Although the Canadian scientists had only the vaguest notion what Dr. Bhabha's program involved, Canada hastily offered a research reactor in the absence of an exportable power reactor. The NRX research reactor would provide India with the flexibility to develop its own program without unduly alarming Pakistan; moreover, the shared cost would conveniently fall within established lines of Colombo Plan assistance. With the potentiality of nuclear technology becoming widely recognized, a foreign sale would enhance Canada's trade prospects in reactors and heavy water. Both Canada and the United States were anxious to offset India's acceptance of Soviet steel-mills by offering a highly visible contribution from the West.

The projected use of the Canadian Atomic Reactor (CIR) was welcomed at the time for its contribution to Indian science, industry and agriculture,

but nothing was said of its possible misuse. Dr. Bhabha's policy of flexible nuclear development had been skillfully woven into the agreement in such a way that it was impossible for Canada to insist later on adequate safeguards. By the agreement signed on April 28, 1956, India pledged that products resulting from the reactor would be employed for peaceful purposes only. Dr. Bhabha insisted that India's word was a sufficient safeguard to members of the Commonwealth, and expressions of Canadian doubts only served to call into question Indian credibility, a subject diplomats found easy to avoid.

Main safeguard

The main safeguard appeared in Article XI, which stated:

"It is the intention of both Governments that the fuel elements for the initial fuel charge and for the continuing requirements of the Reactor will be supplied from Canada save to the extent that India provides them from sources within India. Arrangements for the provision of the fuel elements to India from Canada will be agreed upon by the two Governments before the Reactor is ready to operate; if an international agency acceptable to both Governments has come into being or is in prospect at that time, the terms of such agreement will be in keeping with the principles of that agency."

The anticipated International Atomic Energy Agency did come into operation, but India resolutely resisted the extension of the Agency's controls to the provision by Canada of the CIR fuel elements. Meanwhile, Article XI gave India all the choices necessary for independent development. The Canadian Parliament showed little interest in the agreement or the reactor until escalating costs and undue delays forced a Special House Committee investigation in 1961. The diplomats were left to agonize over the lack of safeguards while the reactor took shape. Canada had accepted India's vague promises at face value without relating them to Nehru's earlier condemnation of the principle of international control and inspection of nuclear raw materials and production. In India's Parliament on May 10, 1954, Nehru had branded such rules as yet another instance of big-power attempts to dominate the world by curtailing the legitimate aspirations of economically and technically underdeveloped countries. India, he asserted, would not accept any controls that worked to its disadvantage.

Repeated Canadian efforts belatedly to introduce safeguards on the fueling elements led to hints that India would

*Increasing costs,
undue delays
prompted inquiry
by committee
of Commons*



Canada Wide — AP wirephoto

Prime Minister Indira Gandhi listens as H. N. Sethna of India's Atomic Energy Commission provides the details of India's

first nuclear blast in mid-May of this year Mrs. Gandhi pledged to use nuclear energy only for peaceful purposes.

accept Soviet offers of alternate assistance. Faced with this unpleasant prospect, both Canada and the United States relaxed their safeguards on the supply of heavy water. When India later required technical information on how to fabricate fuel elements for the initial fuel charges, Canada supplied it, concerned that imperfectly-constructed Indian elements might render the CIR unworkable or India would make good its threat to obtain Belgian or French supplies without the same safeguards. Gradually the CIR had become the crowning achievement of the Colombo Plan's first decade, and its status made Canadian withdrawal impractical. By using the option given it in Article XI, India was able to obtain Canadian fuel in 1960 with accepted joint inspections and audits. The reactor itself did not come under even these limited conditions.

Canadian aid as catalyst

A subsequent agreement for India to acquire a CANDU reactor did have more extensive safeguards, but by then foreign control of India's nuclear-power development was meaningless. India already had an independent capacity, which makes subsequent accusations about the source of plutonium for the recent explosion purely academic. Canadian technological assistance was a catalyst in developing India's potential for becoming a flexible and independent nuclear power.

The option to develop the foundation for a nuclear-weapons technology appeared even more attractive in the 1960s. The Sino-Indian war, which was a profound humiliation for the Indians, reinforced their appreciation of the discipline strength of their opponents and the challenge China posed to Indian interests and prestige throughout Asia. Earlier dream of the two giants of Asia mustering the strength to drive out the imperialists and to preside peacefully over separate spheres of influence evaporated in the face of Chinese military prowess. When, in October 1964, the Chinese detonated the first nuclear explosion, Indian anxiety increased. Nearly 100 members of Parliament signed a petition urging the development of nuclear weapons. An acrimonious public debate broke out on the morality, practicality, strategic benefits and consequences for economic development of building a nuclear bomb. Prime Minister Lal Bahadur Shastri came down firmly against any crash program, though the buildup of the nuclear infrastructure went forward.

A further blow to Indians' image of themselves as a power to be reckoned with in the councils of the world came with President Lyndon Johnson's manipulation of economic and food aid during years of drought to persuade the Indian Government to follow acceptable internal and external policies. The setting of conditions

Later agreement to acquire CANDU reactor had greater safeguards

was bad enough, but when President Johnson continually held back food supplies until he was convinced that India was doing all it could to improve production — that was nearly intolerable for the Indians. Finally, when the consortium of countries providing economic assistance insisted on a devaluation of the rupee as a condition for further loans and when the Americans subsequently failed to provide their share of the proffered loan, the Indians blamed their weak international standing for their humiliation.

Industrial, military buildup

The answer to defeat by the Chinese and humiliation by the Americans was seen to be the further buildup of independent industrial and military strength. As early as the 1956 budget debate, Nehru had said: "The real strength of a country develops by industrial growth, which implies the capacity to make weapons of war for the army, the navy or the air force . . .". As the industrial plants were constructed, more and more of India's military equipment was manufactured within the country. The old Lee-Enfield rifle was replaced by the Indian-designed and -manufactured Ishapore rifle, while the French Hotchkiss-Brandt heavy mortars, the Nissan military trucks, the new mountain howitzer, the MiG-21 and the *Leander*-type frigates were all planned or put into production. The development of nuclear-research and power-generating reactors, together with the supporting infrastructure of fuel-fabrication facilities, heavy-water plants, fuel-enrichment and reprocessing plants, was part of the industrial expansion. Its early promise was to supply inexpensive electrical power to meet further industrial demand. The option for the development of nuclear weapons was kept open, though no known explicit move had been made in this direction by the mid-1960s.

In the course of the extended discussion about whether India should "go nuclear" after the detonation of the Chinese bomb, two important points had been made. First, the French analysis of the value of a smaller country's going nuclear was widely accepted. There it was argued that, as the U.S.S.R. and the United States had both acquired the capacity to carry out thermonuclear strikes on each other's cities, neither country would be willing to use nuclear weapons against the other save in matters of national life and death. This meant there were many regions that were not of vital interest to the superpowers and thus were outside the nuclear umbrella. These marginal regions were exposed to attack by one or other super-

power or by any third power, and therefore guarantees of nuclear protection were not credible. The Chinese atomic bomb, which was shortly followed by a thermonuclear bomb and by the testing of long-range rockets, made the Indians feel even more exposed. Secondly, following from this scepticism of nuclear guarantees, the Indians were very critical of the practicality of the Nuclear Non-Proliferation Treaty of 1961. Signing and ratifying the treaty would prevent India from manufacturing or otherwise acquiring nuclear weapons, while the security assurances from the nuclear to the non-nuclear states were unreliable.

The Indians also argued that the obligations to accept international inspection of nuclear research and power installations should apply equally to states with nuclear weapons. Furthermore, in the absence of a fair treaty leading to nuclear disarmament that, in the interim, would guarantee India against nuclear attack by the Chinese or any other power, the Government refused to subscribe to the NPT. This view of the NPT was widely shared by other non-nuclear-weapon countries, including Japan, Israel and Egypt, which felt themselves to be more exposed to nuclear threats than such countries as Canada.

Indian defence-planners recognized that a nuclear bomb would not by itself forestall nuclear blackmail. Squadrons of fast long-range bombers, rockets of inter-continental range or similar means of delivery would have to be acquired. While the 1.7-mach Su 7 strike aircraft acquired from the U.S.S.R. had a 4,500-pound payload, its range was only about 1,000 miles. The alternative lay in the small space program for meteorological purposes transferred in 1961 to the administration of the Department of Atomic Energy. By 1970, a rocket-fabrication plant was under construction, and this was soon followed by a factory for the manufacture of solid-fuel rocket propellant. With the development of inertial-guidance systems, high-performance tracking radars and other facilities, Indians were able to plan on launching a rocket of their own capable of placing a 30-kilogram payload in 400-kilometer circular orbit during 1974. This would be followed in 1975-79 by rockets capable of putting a 1,200-kilogram payload into a synchronous orbit of 40,000 kilometers. It is quite clear that the investment in manufacturing plants for space rockets also equipped India to produce an ICBM capable of delivering a nuclear or thermonuclear device anywhere in Asia or beyond.

The distinction between a peaceful

Indians argued obligations on inspection should apply to states with A-weapons

Investment in plants for manufacture of rockets seen providing capability for ICBM

nuclear explosion and all others is difficult to sustain. The text of the NPT speaks of bringing nuclear weapons or "other nuclear explosive devices" under a common prohibition. The Gandhi Peace Foundation commented that only "the most gullible will believe that it (the nuclear explosion) is only for peaceful purposes", while the Minister of State for Foreign Affairs said that India had to prepare itself against the "bad intentions" of others. The reactions of the Pakistanis, the Japanese, the Iranians and others reveal a shared perception that an explosion is an explosion.

Stimulating other countries

The Indian test will probably stimulate more countries to develop explosive devices. Pakistan is clearly apprehensive and has already sought nuclear protection from the United States and the Soviet Union, besides sending its Foreign Secretary to Peking to seek assistance. Prime Minister Zulfikar Ali Bhutto, both as Foreign Secretary and when he was in the political wilderness, said time and again that Pakistan would have to match Indian nuclear capacity even if Pakistanis should be forced "to eat grass" to mobilize the resources. Both Japan and West Germany share the French and Indian scepticism of the protection offered by the American nuclear umbrella, both are advanced in their nuclear and delivery-system technology and neither is bound by the NPT. Now that India has broken the nuclear silence with no serious consequences to itself (Canada is only terminating its nuclear co-operation and the aid consortium, after expressing its displeasure, has agreed to provide an additional \$1.4 billion economic assistance), other countries are likely to join the nuclear club.

Given the aspirations of the newer

nations for a greater say in the affairs of the world and the respectful attention commanded by the militarily powerful, it is unrealistic to expect any armament agreement that would freeze the present hierarchy of world power. As long as the United States and the U.S.S.R. continue to spend heavily on arms, the rest of the world, including the less-developed countries, will also spend their resources on arms, including nuclear arms. Last year \$200 billion was spent on major weapons by all countries, and there is no sign of this arms race letting up. Unfortunately, it will continue, with nuclear technology becoming more widely diffused and more fissile material becoming available until the suitcase nuclear bomb will come into the hands of aggrieved groups such as the Irish Republican Army and the Palestinian Liberation Army.

The detonation of the first nuclear device by a country receiving aid raises the question whether such development assistance should be continued. Although Canada remains opposed to the proliferation of nuclear weapons technology, Ottawa has to live with a set of conditions in which the newer nations challenge the supremacy of the major Western developed nations that have largely set the rules and the terms of international relations to their own benefit over the last 30 years. The termination of Canadian aid in response to the display of increased power would put Canada on the side of the *status-quo* governments and increase the tension between those aspiring for power and place and those who are jealously defending their pre-eminence. No test of Canada's understanding and commitment to a fairer world order will be more difficult than that of helping the less-powerful to attain full citizenship in the international community.

... The Rajasthan blast's implications extend far beyond the triangular relationship of India, Pakistan and China. The first foot is in the door of the club of five nuclear powers whose membership, unchanged since China qualified in 1964, corresponds to the privileged permanent membership of the United Nations Security Council. The Nuclear Non-Proliferation Treaty that was concluded in 1968 and took effect in 1970 was aimed at restricting the club to those five. Its prospects of success were dimmed by the non-adherence of two of the five (China and

France) and of a disturbingly large number of countries that could be ranked as near nuclear. . . .

... Now that India has got the club door wedged open, it is pretty plain that other near-nuclear states will reveal a livelier interest in getting in too. . . . The explosion in Rajasthan has not blown the whole non-proliferation system sky high, but it ought to enforce an urgent reappraisal of the system's present and future effectiveness — and limitations. (*The Economist*, May 25, 1974).

*Apprehensive
over test,
Pakistan seeks
protection
from others*

Washington and Latin America: indications of a new dialogue

By James Nelson Goodsell

Latin Americans have long had a love-hate relationship with Washington. At one and the same time, they find it difficult both to get along *with* the United States, and to get along *without* it. On the one hand, they often complain that the United States neglects them, while, on the other, they frequently wish their giant northern neighbour would simply go away. In a sense, they are caught in a dilemma that has plagued them for decades and bedevilled relations between Washington and its southern neighbours. The old Mexican proverb about being "so far from God, so near to the United States" sums up much of the Latin American feeling.

But there are some new indications that there is a changing climate in United States/Latin American relations. It is too early to set down any firm conclusions, but there are a number of hints that the old relationship may well be changing. Since Henry Kissinger moved from the White House to the Department of State last year, the hints have been increasing.

In the first place, Latin Americans instinctively like and respect Dr. Kissinger. In their eyes, he comes across as a charismatic, sincere *norteamericano*, a good many notches up the popularity ladder from other Secretaries of State in the recent past and from most other United States officials.

For his part, Henry Kissinger reciprocates, displaying an interest in Latin American and Latin Americans unseen in Washington since the brief years of John F. Kennedy's Presidency. Even with his Middle East preoccupations and his concern about Washington-Moscow and Washington-Peking *détente*, Dr. Kissinger has found more time in less than a year to deal with Latin Americans as a group or as individuals than did William P. Rogers during the five years he was Secretary of State.

He has had no fewer than five meetings with Mexican Foreign Minister Emilio O. Rabasa, conferred over lunch in New York with Latin American foreign

ministers assembled there for the United Nations General Assembly last October, entertained half a dozen other Latin American ministers in Washington, journeyed to Panama early in February to sign a statement on revising the Panama Canal treaty, met the foreign ministers again in Mexico in February and yet again in Washington and Atlanta in April, and even gone to Mexico for his honeymoon!

New style

The style is so clearly new and vigorous, so much a change from the past, that Latin Americans have been caught unawares. But they like what they see and hear.

There are countless stories, some of them bordering on the apocryphal, being told round the hemisphere about Dr. Kissinger and his approach. For example, last February in Mexico City, while attending the foreign ministers' session, Dr. Kissinger at one point spied Argentine Ambassador Héctor José Campora. He rushed over to greet the Argentine, embracing him and referring to him as "Mr. President". It was reference not to the fact that Dr. Campora had served briefly as Juan Domingo Peron's stand-in President last year but rather to an earlier time when the dentist-turned-politician had

Dr. Goodsell, Latin American editor of the Christian Science Monitor for the past ten years, has returned from another round of visits to Latin American countries, meetings of foreign ministers and sessions of the Organization of American States. In addition to his analytical and background reports for the Monitor, Dr. Goodsell, with W. Raymond Duncan, edited The Quest for Change in Latin America and published a book on Cuba's Fidel Castro last fall. He examined the critical problems of the Salvador Allende regime in Chile in the July-August 1973 issue of International Perspectives, just weeks before the Allende government was deposed. The views expressed on U.S.-Latin American relations are those of Dr. Goodsell.

been president of the Argentine Chamber of Deputies and Dr. Kissinger had first met him. These little touches carry special meaning in Latin America and the new Secretary of State knows it.

The changing climate in Washington's relationship with Latin America, however, is more than simply a change in personalities at the Department of State. Indeed, it goes much deeper and shows itself in a variety of other ways. Dr. Kissinger's arrival at State coincided with a number of changes in attitude on the part of both Latin American and Washington. He is obviously a key element in these changes, but is not alone responsible for them.

Desire for dialogue

In Latin America, over the past year or so, there has been a growing desire for some sort of new dialogue with the United States, based on a feeling that the strident anti-United States attitudes of several years back, which saw angry exchanges between Washington and Latin American capitals, were simply not very productive. As early as January 1973, there was a move in some Latin American circles for new approaches to Washington on a host of issues — trade, aid, U.S. investment, multinational corporations, reform of the Organization of American States, the position of Cuba in the hemisphere, the sharing of technology. Colombia and Venezuela both quietly suggested hemisphere talks on these issues, and their suggestion was supported by several other governments. But there were delays and complications. Argentina was in the midst of a series of presidential elections, while Chile was in turmoil over Salvador Allende's efforts to take the country along the road to socialism; Panama was successfully pressing for a UN Security Council meeting over the Panama Canal dispute with the United States, while presidential elections were in the offing not only in Argentina but also in Colombia, Costa Rica, the Dominican Republic, Guatemala and Venezuela.

"The time isn't right for a dialogue with Washington," a Colombian foreign ministry official lamented to newsmen in March 1973 but, by October, the same official was saying that "the time has come".

There were plenty of reasons for the turn-around. For one thing, the enforced end of Salvador Allende's Marxist experiment in Chile significantly altered the political complexion of Latin America. A number of governments very quickly toned down some of their leftist-leaning rhetoric in noticeable fashion. "The fall of Allende

has altered the political picture throughout South America," an editorialist for the Buenos Aires newspaper *La Prensa* wrote. Commentators noted that former Argentine dictator Peron, who was elected President in September, changed his campaign tactics, becoming more conservative in tone, almost immediately after the Allende Government's fall in early September.

But there were other significant developments that escaped notice at the time, and these may have been even more important in the changing attitudes in Latin America than the end of the Allende experiment.

Topping the list was a developing economic crisis in many Latin American countries, brought on by escalating costs for basic imports, ranging from foodstuffs to oil. More and more comment was heard during the autumn months about this crisis as one government after another sought to cope with the problem by adopting a variety of stop-gap measures, including import limitations, austerity plans and export stimulation.

By the time the foreign ministers of the western hemisphere were meeting in February in Mexico City for the so-called Meeting of Tlatelolco, much of the corridor conversation at sessions dealt with the energy crisis and the problems being encountered by almost all governments in the trade field. "We have to find solutions to this new problem," Brazil's Mario Gibson Barbosa said. But he was as much in the dark on solutions as were most of his fellow foreign ministers. Still, one after another got up at Mexico City to suggest that solutions might be forthcoming if they all worked together — and, by saying "working together", meant to include the United States and Dr. Kissinger.

The seriousness of the economic crisis brought on by the changing patterns in world trade and the escalating of costs was felt most acutely in the smaller nations of the hemisphere, primarily because they lack the cushion of the larger countries with more developed and diversified economies. Jamaica, for instance, began talking about raising prices on its single major export, bauxite, to compensate for the staggering burden of a 23 percent increase in imports in 1973, with even higher increases expected for 1974. The island's colourful Foreign Minister, Dudley Thompson, made the point repeatedly noting that wheat and soybean prices were the first problem. "Jamaica might have made it," one of his associates said "if that had been all. But then the oil price boost hit us and we knew there was

Allende's fall altered political tone, opened way to discussions

no solution but to raise prices for our bauxite." Jamaicans incidently blame the U.S.-Soviet wheat deal for the rise in wheat prices last year, as do many Latin Americans.

Complaints made to Kissinger

Dr. Kissinger received all these complaints and more when he went to Mexico City for the dialogue with his Latin American counterparts. In several closed sessions, very strong and sharp language was used by the Latin Americans, but it was not used in rancour, according to some of the delegates who were there. "We exchanged views and spoke most forthrightly," is the way Dr. Kissinger put it afterward.

Of course, Latin Americans know that the United States is not responsible for all the problems besetting them, but they are more aware than ever that there are things the United States can do to ameliorate many of the problems. And this is where the Latin American thrust is aimed.

All these items were on the agenda at the foreign ministers' session in Mexico City in February, the subsequent ministers' meeting in Washington in April and the two-week General Assembly of the Organization of American States (OAS) in Atlanta later in April. There have been few decisions from these sessions, but the atmosphere during the discussions has been amiable. To many hemisphere observers, there is something very hopeful about

all this. It is the first time in many years that Latin Americans meeting at the conference table with the United States have risen, with a feeling of satisfaction.

Much of the credit for this does indeed go to Dr. Kissinger. Without signing any agreements, he has promised Latin America a greater trade access to the U.S. market, new studies and efforts to boost technological exchange and support for a restructuring of the OAS. He even gave a new phrase to add to the long list of labels attached to Latin American/United States relations. The Kissinger candidate: "the policy of the Good Partner".

It is a long way from merely using the phrase "Good Partner" to putting the idea into practice, as Dr. Kissinger knows. But he appears determined to go that way. The problems he faces in the effort are many. He had no sooner finished promising Latin American foreign ministers that their countries' exports would soon have easier access to the United States markets than Latin Americans had a new complaint about trade with the United States. U.S. Treasury agents, it was disclosed, were in Brazil and Colombia looking at the way those countries stimulated their exports — with an implied threat that Washington might impose new duties if exporters were receiving government subsidies.

Specifically, the Treasury people were probing reports that Brazil was giving an export subsidy to its footwear industry,

*'Good Partner'
policy set
with greater
trade access
fresh efforts
to encourage
exchanges*



Wide World — AP wirephoto

U.S. Secretary of State Henry Kissinger removes his earphones to confer with Galo Plaza (left), Secretary-General of the Organization of American States, at a session of the OAS General Assembly in

Atlanta, Georgia, in April. The meeting was one of a series that may pave the way for closer links between Latin America and the United States.

which does an \$81-million-a-year business with the United States, and that Colombia was offering a similar stimulus to cut-flower growers who sell \$8-million worth of carnations and other flowers to the United States.

All of this makes Dr. Kissinger's assurances look less encouraging to the Latin Americans. In fact, within hours of his speech in Atlanta before hemisphere foreign ministers, Brazilian and Colombian complaints about the Treasury investigation were mushrooming. "How can Kissinger tell us one thing and then expect us to be enthusiastic when we have the Treasury doing something else?" asked a Brazilian.

"Washington speaks out of both sides of its mouth," a Colombian at the meeting complained. "We well remember President Johnson's urging us to diversify our exports and President Nixon's promises to open up U.S. markets to these exports, and now we come face-to-face with the threat of new duties.... It makes us wonder if we can trust anyone in Washington."

For their part, State Department officials say Treasury was merely acting in accordance with an obscure law that required it to investigate charges of export subsidy and then to impose "countervailing" duties equivalent to the subsidy if the charges were found to be true.

To Latin Americans, however, this begs the question: how are they to develop their underdeveloped economies if Washington intends to thwart them at every turn? After all, they ask, doesn't Washington talk about the special relationship between the United States and the rest of the hemisphere? Didn't Dr. Kissinger call them "good partners"? Moreover, Latin Americans point out that they are not responsible for recent United States trade imbalances. The United States has a solid \$700-million trade surplus with Latin America.

This is the sort of thing that Dr. Kissinger is going to face as he deals more directly with Latin America in the months ahead. He seemed to admit as much when he said in Atlanta in April that there were "certain inequities that must be rectified".

The case of Panama

The task of rectifying inequities in Latin America is going to test Dr. Kissinger's diplomatic mettle. Panama is a case in point. The United States has come to recognize that the long-standing treaty between Panama and the United States over the Panama Canal ought to be rewritten. That accord gives the United

States virtual sovereignty over the Canal and the zone surrounding it in perpetuity. "We would not be able to write such a treaty today," a State Department spokesman observed recently. "This will all have to be changed." Washington is committed to such change. Dr. Kissinger signed a statement of principle pledging the change when he met in February with Panamanian Foreign Minister Juan Antonio Tack.

But rewriting the treaty and then getting it through Congress are going to take some doing. As with Treasury probes of Latin American exports, Congress could prove a major stumbling-block to Dr. Kissinger. Moreover, Latin Americans expect much from him.

For now, however, Dr. Kissinger's obvious sincerity and desire to bring about rectification of "certain inequities" have accumulated a store of goodwill for the Secretary of State in his dealings with Latin Americans. He is now going to have to deliver on them. Once the Middle East negotiations are behind him and the talks with the Soviet Union are completed, he may well have the time to devote more attention to Latin America. When that time comes, he will be watched carefully by the Latin Americans, who, despite their obvious pleasure at dealing with him, will not "go easy on him", as they showed in Mexico City, Washington and Atlanta.

Bargaining power

The Latin Americans want this new climate of improving relations with Washington. But they expect a good deal of give and take. They know, too, that they have many of the items the United States continues to need — oil, minerals, agricultural products — and that they now have some bargaining power in the sale of these items. They can be expected to use it in return for some of the things they want, including trade access to the United States, technological assistance and more of a voice in hemisphere issues through OAS revision and the reincorporation of Cuba into the hemispheric system. This latter point is not universally supported in Latin America, but there is growing sentiment for it.

Dr. Kissinger's promise in Washington and Atlanta to go along with Latin America's desires on Cuba, although it has some ambiguities to it, was widely hailed in Latin America — and like so much that has taken place recently in hemisphere affairs augurs well for an improving climate of understanding between the giant of the North and its neighbours to the south.

*Treasury move
prompted Brazil
and Colombia
to complain*

Thailand works at creating an innately Asian democracy

By David Van Praagh

If someone had predicted a year ago that Thailand would soon be setting an example in striving for democracy at home and peace in Southeast Asia, he probably would have been advised to take a short course in Asian realities.

This was partly the fault of the Thais themselves and partly the fault of Westerners, particularly Americans, who thought they understood Thailand. Outwardly, most Thais did little to challenge the myth that they are apolitical, addicted to sinful indulgence and willing to sell their national soul to the Pentagon along with air-bases from which to bomb other Asians. This impression suited a U.S. official mentality conditioned by Vietnam. In this view, Thailand was a domino, fun to play with but ever in danger of falling into the Vietnam mould.

As with most myths, there was some truth in the American one about Thailand. Like all myths, this one does not vanish easily even when confronted by facts. One fact is that Thai society is far deeper and broader than the landing-strips and massage-parlours preoccupying many of the U.S. military personnel in Thailand. Another is that Thai public opinion, adapting so much more than the U.S. military presence, has come further faster in recent years than any other national expression of popular will in Southeast Asia, and possibly in all Asia.

This democratizing process was stimulated covertly, and finally overtly, by King Bhumiphol Adulyadej. The climax came on October 14, 1973, when thousands of student demonstrators succeeded in forcing the overthrow of Thailand's military rulers. This astonishing event, leading to the return of civilian government and a democratic constitution, also represented, in a sense, a culmination of Thai history. A well-informed Thai told me in Bangkok at the beginning of 1974: "It was like a premature birth — we knew it had to happen but it came sooner than expected."

It came when the political direction in non-Communist Asian countries was to-

ward dictatorship, when there was a widespread belief that Thailand would be the scene of the next military confrontation in Southeast Asia after Vietnam, and when both China and Japan were putting out feelers for better relations with smaller Asian nations.

The Asian political trend has not been reversed. The road ahead for nascent Thai democracy is rocky. But within a year after the light of democratic government was extinguished in the Philippines, a former U.S. colony, Thailand instead became the one nation in Southeast Asia actively working to make democracy a going concern.

Thailand's lack of a colonial past makes it all the more attractive as a model for protest movements in Indonesia, South Korea, the Philippines and other countries seeking to throw off authoritarian regimes. What happened on the streets of Bangkok proves that soldiers and their officers — or at least most of them — do not necessarily shoot students who demand change.

Military conflict and big-power confrontation can still happen in Thailand. Communist-led insurgency has not grown since 16 years of military rule came to an end, but neither has it declined. The chances of intervention by China, North Vietnam or Soviet Russia on behalf of perhaps 7,000 armed guerrillas in North, Northeast and South Thailand have diminished, however, and so has the prospect

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of armed U.S. defence of the government in Bangkok.

More than the peace agreements earlier in 1973 covering South Vietnam and Laos, the exile of Thailand's ruling generals may have contributed to future peace and stability in Southeast Asia. Implementation in April 1974 of the agreement on a new coalition government in Laos would have been more difficult to achieve without the change of government in Thailand. While war continues in Vietnam and Cambodia, remaining U.S. air-power based in Thailand is less likely to be used again in these conflicts.

In a wider sweep of Asia, the events in Thailand provide a handle to Chinese and Japanese leaders to reach a *modus vivendi* with developing Southeast Asian nations as part of the building of a new, rational, co-operative Asian and Pacific order.

Peking undertaking

Premier Chou En-lai has told the new Thai leadership privately that Peking will not directly support Thai insurgents, nor will it categorically oppose the U.S. air-bases on Thai soil. This is consistent with Chinese efforts to contain Soviet power at all costs, and to bring about establishment of neutral buffers in Laos and Cambodia. Enlightened Japanese, including Prime Minister Kakuei Tanaka, realize the need to soften Southeast Asian resentment of trade imbalances and commercial exploitation. Like Chou and other Chinese, they see the advent of a more liberal system in Thailand as an opportunity to demonstrate their interest in constructive co-operation with and among the countries of Southeast Asia.

All this is saying a lot for Thailand, even granting that it is the heart of Southeast Asia. Suddenly the fun-loving Thais, of all Asians, set themselves up as a democratic model. A nation of 40 million abruptly switches from being the forward base of the United States in Southeast Asia to providing the easiest entrée in the region for China. One of the most conservative countries in Asia leaps overnight into the vanguard of a new Asian and Pacific era.

Is a new myth being created?

In a way, yes, although it has yet to equal the old one. The truth may be better served by suggesting that Thailand is expressing its innate Asian self, that Thais are falling back on their own resources, that, far from being isolationism, this demands a greater interest in ties with near neighbours and less entanglement with distant powers.

As we have noted, the course upon which Thailand has embarked is not absolute. Following the peculiarly Thai way of getting rid of military tyrants — King and students acting together —, the nation's progress has been gradual and, in fact, slower in some ways than was expected last October. But its general direction is clear.

Seni Pramoj, a former Prime Minister and a democratic royalist in the finest Thai sense of the term, observed with nostalgic joy a few months later: "The only weapon we had for 27 years was the people. Like a Jack-in-the-box, we always pop up again. I'd be happy if the present situation lasted only three days. It would have to happen again and again and again if necessary."

By "we" Seni meant the Democrats, the opposition party during the sway of various military figures after the Second World War. The amorphous Democrats are the offspring of the Free Thai Movement, founded by Seni in the United States during formal wartime collaboration by Thailand with Japan. According to this lawyer, poet and cultural historian, the movement and the party and now the new Thai freedom are manifestations of democratic tradition older than Magna Carta.

They contain the germ of an expanding democratic *élite* that will have to come into being in order to permit a liberal set-up to work in a country where kings, generals and bureaucrats have traditionally connived at political supremacy. What is happening in Thailand is the clash of the democratic tradition and the authoritarian tradition. The latter has prevailed most of the time, but not always, since overthrow of the absolute monarchy in 1932.

Thanarat regime

Following nearly a generation of rivalry between Marshal Pibul Songgram and Pridi Phanomyang, a liberal civilian, the Thais expect to return from Paris and play a leading role in the new order. Marshal Sarit Thanarat clamped a corrupt military regime on Thailand in 1957. He tightened the vise by taking all power into his hands the following year. His successors in power, and in ever more intimate collaboration with the United States and its war aims in Indochina, were Marshal Thanom Kittikachorn and Marshal Phaphas Charusathien. They, too, mounted a *coup* from within, ending in November 1971 a brief experiment in limited sharing of power with a popularly-elected lower house of Parliament, and like Sarit they also groomed a successor: Colonel Naron

*Laotian accord
more difficult
to achieve
without change
of government
in Thailand*

Kittikachorn, Thanom's son and the son-in-law of the hard-fisted Praphas.

But this time the ruling minority's days were numbered. The junta began losing its sense and its nerve as the United States withdrew from a direct combat role in Vietnam, although President Nixon's intensified bombing of the north, as well as Laos and Cambodia, drew more than ever, late in 1971, during 1972 and early in 1973, on B-52s and fighter-bombers at seven or eight Thai bases. In retrospect, it is questionable whether the military rulers ever possessed the requisite identification with Thai nationhood. Sensing their weakness but hardly daring to hope that the end of an era was at hand, students who had come late to political consciousness pushed Thanom, Praphas and Narong back from one barricade to another, and finally into exile with the King's help on that tumultuous weekend of October 13 and 14.

Timetable for elections

The goal of a democratic constitution is taking longer to achieve than expected under the interim government of Prime Minister Sanya Dharmasakti, who is normally rector of Thammasat University. Sanya resigned in May 1974, but he prevailed on to head a new interim government without any military officers in the cabinet. Whether intentional or not, this was a logical step on the road to a popularly-elected constitutional government, as were the King's earlier announcement of a National Convention of 2,346 men and women and the Convention's immediate election of a 299-member interim National Assembly to adopt the proposed new constitution.

This is expected by the end of this year, with elections to follow early in 1975. Unless drastically changed, the constitution will provide for two houses of parliament — one elected and one chosen from nominees of the King — and a cabinet drawn from both houses. But no military officer will be able to stand for either house without resigning his commission. In addition, there are safeguards against another military takeover, reserve powers vested in the King and guaranteed basic freedoms.

No constitution can stand against tanks. But the fact that most army and police officers, especially the Army Chief of Staff, General Kris Sivara, were unwilling to open fire on middle-class students last October is only one reason to believe that the days of military rule are over for good. A police officer close to King Bhumibol (so close that he can be summoned to the Palace by walkie-talkie), Colonel Vasi Dejkujorn, told me that experienced offi-



Photo by Van Praagh

Thailand's students represented a key element in the overthrow of the nation's military rulers in October 1973. They are still looked upon as the country's most important pressure group. Shown conferring with a colleague is one of the student leaders, Sombat Thamrongthanyawong (left), secretary-general of the National Student Centre of Thailand in Bangkok.

cers expect to serve in advisory and administrative posts. But the model the Thai military is hoping to emulate, he indicated, is the Turkish Army, which stands beyond politics as a watchdog, ever ready to bring wayward politicians into line with the nation's ideals.

Student feeling

There are few indications that Thai students, widely looked on as the nation's most important pressure group, will break up into the kind of Communist-leaning extremist groups feared by the military. The ferocity of feeling among some engineering and vocational students during the October uprising — revolution may be too strong a word — was surprising. But, though the student movement is fragmented again, most educated young Thais would tend to agree with Sombat Thamrongthanyawong, the mild-mannered but determined Secretary-General of the National Student Centre of Thailand. Sombat, a farmer's son, said that 12 years was time enough to accomplish economic and educational reforms "to serve the poor better and help the poor study"; otherwise, he feared, there might be violence.

Some Thais fear violence and military intervention if gaps between rich and poor and between Bangkok and the countryside

Thai military bids to emulate Turkish Army standing beyond political sphere

are not narrowed more quickly. Sumalee Viravaidya, a Bangkok *Post* columnist, who was the only woman on the constitution-drafting committee, expressed this view: "There is a chance to make major changes but the older generation does not recognize it . . . This attitude contains the germ of disaster."

Seni Pramoj gave the older generation's answer: "For socialism to work we must all be Buddhas — you can't clamp an ideology on a country like this."

Seni has taken himself out of the running for Prime Minister after popular elections, although his Democrats will undoubtedly play a role in the coalition government that is expected to emerge. Probable candidates are Puey Ungphakorn, a former Governor of the Bank of Thailand, and Kukrit Pramoj, editor of *Siam Rath* and Speaker of the interim National Assembly, who makes a point of his differences with his brother Seni but in reality is only more "bullish" in standing in the royal camp. In a real sense, the most important figure in Thailand is the King, not only as a universally-revered symbol of national unity but also because he has shown himself willing to lend his prestige to decent, non-military government.

In doing this, the 47-year-old monarch, Rama IX of the Chakri dynasty, which has reigned over Thailand for 200 years of its 700-year history, is an integral part of the most recent of historic Thai shifts. United in its Buddhism and its reliance on rice-growing, land-owning small peasants, Thailand has always avoided extremes domestically and in its external relations. Foreigners often call this swaying with the wind, but it may be more accurate to describe it as an almost instinctive shying away from any system or foreign power that would undermine the integrity of the nation and its people. Seen in this perspective, rejection of self-serving military bureaucracy was natural, and so is dilution of Western democratic forms with traditional Thai respect for authority. Similarly, Thailand is shifting at the same time from over-dependence on the United States to a position of accommodation with a major Asian power — China.

Military influence

Ironically, the Thai who signed the air-base agreements with the United States, former Foreign Minister Thanat Khoman, best summed up recently the insidious link between foreign military influence and internal political repression. He told the Bangkok *Post*: "The military leaders favoured the presence of foreign military forces, hoping that such forces would

'firm-up' their strength and their position. And, of course, the foreign military power was happy to find them willing to give Thai territory, military facilities and installations against the national interest of Thailand."

Again, however, the air-bases are not going all at once, any more than the influence of Thailand's older generation is suddenly vanishing. Even after the students were agitated by discovery of a letter to Sanya purporting to come from an insurgent leader in the northeast but reportedly faked by the CIA, they did not demand immediate cancellation of air-base rights. The U.S. Air Force is in the process of reducing its strength in Thailand to fewer than 400 combat and support aircraft and about 25,000 men, or about half its top strength in recent years. This would still make it the most potent air arm in Southeast Asia. If the new Thai leaders are convinced that this would contribute to what they call a "balance of interests" in Asia, rather than simply a balance of power, and that China, indeed, does not object, then a deal will be struck.

At the same time, if Thailand cannot establish dual diplomatic relations with Taiwan and China as the United States has done, its government can be expected to exchange embassies with Peking. Malaysia's lead in this regard as a co-member of the Association of Southeast Asian Nations (ASEAN) will have some influence. But the most important consideration for Thai leaders, as it may not be for Malaysian leaders, who have a proportionately much larger Chinese minority to placate, will be establishment of a mutually-respectful working relationship with China.

Testing Chou's assurance

They are particularly anxious to test Chou's informal assurance of no direct support to Thai insurgents, some of whom have been trained in China. More than North Vietnam, China is the home-base of the Thai "liberation" movement. Although guerrillas have been increasingly bold and well-armed in confronting Thai security forces, the movement, which formally started in 1965, has not progressed beyond the stage of trying to recruit peasants. But, largely because of government alienation of peasants and hill tribes, notably by local corruption and bombing of tribal villages, significant areas of the economically-depressed Northeast and the remote North, near the tri-junction of Thailand, Laos and Burma, had fallen under insurgent control by 1971. Moreover, Thai civil and military authorities were legitimate

*Nation shifting
to position
of accommodation
with China*

concerned about a road built by the Chinese from Yunnan through northern Laos to the Mekong River; it points straight toward the north-south Nan Valley cutting through the centre of Thailand.

Regaining a realism in dealing with foreigners that kept Thailand free of colonial control by the French to the east and the British to the west, the new leadership is seeking openings with the new coalition government in Laos, in which the Pathet Lao plays a decisive role, and with the Khmer Rouge in Cambodia. Partly as a reflex from the period when this inherent realism was subordinated to U.S. aims in the region, the Thais fear

the consequences of a major North Vietnamese offensive in South Vietnam, which might well force some hard, unwanted decisions about the U.S. air-bases in Thailand.

Until the day when Laos and Cambodia may become effective neutral buffers protecting Thailand and Southern China, the new government is taking solace from China's willingness to sell diesel oil to keep the Thai economy going. It is pressing Japan, with some success, for better trade terms. Under civilian leadership, Thailand is reasserting itself in Asia at the same time as it quietly creates a national expression of Asian democracy.

*Fear results
of Hanoi drive
in Vietnam,
might force
decisions
on U.S. bases*

... The future political influence of the students is ambiguous. As in other underdeveloped nations, Thai students have served as a catalyst for political change, and they may have made one of the most significant contributions in bringing the Thai political system to the threshold of genuine democracy. Yet their role in the future is unclear. The students cannot run the government or even serve in its upper ranks. They do not have the organizational structure to provide a stable political base or the maturity or experience necessary for the administration of national affairs.

Yet several influences by students in Thai politics will likely emerge in the years ahead. Students will certainly continue to play a "puritan" role, publicizing corruption in the government and denouncing executive deviations from newly strengthened democratic norms. Students will exert this important influence with maximum political effect when their protests and demands are widely supported by other civilian groups and interests in the kingdom...

Students will also exercise some influence in modifications of existing government policies. The presence of a large unemployed and under-employed recent-student population may force the government to develop more effective economic and education policies to reduce the present serious imbalance between expanding student enrolments and the lack of gainful employment... The students will also require the government to examine more carefully its foreign policy of relying heavily on the United States for national security and economic prosperity. Few Thai students indicate a desire for any

drastic and sudden change in Thai-American relations, and most Thai students recognize the constructive role of American military and economic aid in bolstering the independence and development of the country. Yet one of the major student demands has been the need for Thailand to broaden the scope of its foreign relations beyond the strong orientation toward the United States. Students want their government to seek better relations with the People's Republic of China and other Communist nations. They also want their country to develop closer relations with friendly nations elsewhere in Southeast Asia. (From Student Protest and Political Change in Thailand by Frank C. Darling, *Pacific Affairs*, Spring 1974).

... As the decision by Indonesia, Malaysia, the Philippines, Singapore and Thailand to form ASEAN in 1967 was essentially a political move, wide-ranging problems of common interest and concern are always discussed whenever the foreign ministers of ASEAN member countries meet. It would be realistic and perhaps inevitable, therefore, to envisage that in the near future the task of ASEAN would assume a wider dimension while at the same time retaining its original character. Nations will be able to work together more effectively and constructively for a common goal if they have a strong political determination. Political will to succeed is indeed a prerequisite to productive co-operation, whether in economic, social or cultural fields. (Excerpt from Bangkok speech by Thai Foreign Affairs Minister Charunphan Isarangkun Na Ayuthaya, January 16, 1974).

The value of scientific method in the foreign policy process

By Don Munton

Interpolimetrics is the name increasingly being used to describe academic studies that attempt to apply scientific methods to the study of international politics and foreign policy. To use the current jargon, these studies employ quantitative data-collection and data-analysis techniques to test and refine theoretical hypotheses and models. The basic goal is no less than a greater explanatory and predictive knowledge of international phenomena, although most proponents recognize this as a very-long-term aim indeed.

A decade ago there was barely a trickle of such studies. Now they exist in some profusion, and the flood shows no signs of abating. While those oriented toward such research are still a distinct minority of scholars in the field, their numbers have increased considerably. As is the case with most of the social and physical sciences, more interpolimetric research is currently being done in the United States than anywhere else. This, of course, is largely a function of the vast size of the scholarly communities in the United States. But there are interpolimetric researchers in many other countries, particularly Western Europe, Scandinavia and Japan. There are even some in Eastern Europe, and a small but growing tribe in Canada. Thus interpolimetrics is scientific in its aims, quantitative in its techniques and international in its scope.

Critics have assailed interpolimetric studies in a variety of ways. The basic

assumptions, they say, are hopelessly naive, the data misleadingly precise, the hypotheses and models grossly over-generalized, the language excessively jargonistic, the methods extraordinarily complex and the results, not unexpectedly, are largely disappointing. Moreover, the critics add, the whole approach is dangerous because it steers the analyst away from the real stuff of politics and renders his results irrelevant to current problems.

Some of these criticisms are undoubtedly valid. Many of them, in fact, are made most strongly and cogently by scholars who would consider themselves members of the interpolimetrics school. Critics and proponents alike would agree that current studies demonstrate glaring weaknesses. Where they would disagree is over the implications one attributes to these weaknesses. Most critics regard them as debilitating and insuperable problems. Most proponents view them as serious but potentially solvable, or at least potentially manageable, difficulties. Whether it is the pessimism of the critics or the optimism of the proponents that is unwarranted remains to be determined by future developments.

Utility for policy community

One vital, oft-debated question is whether interpolimetric studies do have, or can have, any utility for the policy community. Critics naturally point to the various weaknesses as *prima facie* proof of irrelevance. Proponents are more divided. Some argue that existing studies are still too preliminary and tentative to have much utility, suggesting that, if and when some general models of international politics have been developed, then, and only then, is interpolimetrics likely to be useful in the same way that research in economics has become. Some others have cautioned that interpolimetric research should not even try to be policy-oriented, since this could actually be harmful and distracting to the major aim of building theory. Still others have noted, and the present writers



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shares their view, that some interpolimetric studies, despite weaknesses, are in certain specifiable ways relevant to some policy concerns.

The purpose of the present article is to suggest how a few examples of this research might be useful to the policy community. Earlier articles in *International Perspectives* have addressed the general question of the gap between the academic and policy communities (Geoffrey Pearson, "What does the academic have to contribute to policymaking", November/December 1973) and that of the apparent differences but also the less-obvious and considerable similarities between the types of analysis carried out by academics and policy-makers (Andre Donleux, "Advocating scientific approach for diplomats and academics", January/February, 1974). The present article can be seen as an extension of those discussions.

One point ought to be emphasized. In using the term *interpolimetric*, the alternative and closely equivalent term *quantitative* has been explicitly avoided as a general label. Furthermore, usage of the latter term evokes different images in many readers. Certainly, many interpolimetric analyses utilize quantitative methods, but these form only one dimension of such studies. The term quantitative is also much broader and could legitimately include not only statistical techniques but also such varied procedures as systems analysis and planning-programming-budgeting. Lest there be any doubt, the present discussion does not refer to these very general, probably useful, but often misapplied tools.

The policy relevance of interpolimetrics depends not only on the attributes of this type of research itself but also on the aspects of the policy process to which the research might be applied. No single study can possibly be relevant to the whole set of activities in which the policy community is engaged. In trying to suggest how studies might be related to particular activities of policy-makers, then, it would be useful to distinguish certain types of activity. Academic decision-making analysts sometime find it useful to identify at least five phases of "the" policy process. These can be described as anticipating and recognizing problems, searching for information, advocating and selecting options, implementing decisions and reviewing outcomes. The actual process of day-to-day policy-making, of course, can seldom be analyzed so neatly, and thus these must be taken as "ideal" categories. Nevertheless, they are a useful

way to organize the discussion here.

One problem immediately raised, however, is that this characterization does not touch on all activities of the policy community. One important aspect not included is that of training members for the eventual making and implementing of decisions. Although space here does not permit elaboration, there would seem to be a variety of ways in which interpolimetric techniques could be applied or adapted to assist in this training function. One instance of such application was the recent use, in a course on negotiating tactics, of a simulation developed by Gilbert Winham of McMaster University. The initial results from this experiment seem to have been quite favourable, but the general topic of training applications merits separate and lengthy discussion. While the above policy-process classification scheme thus excludes some activities of the policy community, it is still too broad to permit appropriate discussion of each stage here. Therefore, the present article will focus on the first two, the stage of problem anticipation and recognition and that of information search. A discussion of how interpolimetric research might relate to the other three stages must be reserved for a later date.

*Concentrating
on anticipation
and recognition
of problems*

Sigler study

One example of an interpolimetric study that has considerable relevance to the anticipation and identification of policy problems was carried out by Professor John Sigler of Carleton University. Concerned with assessing levels of tension in the bilateral interactions between the United States, U.S.S.R. and China during 1966-1971, Sigler employed what have become known as "international event data". In his case, the data consisted of a large number of events or actions initiated by the three powers. These were abstracted from daily reports in the public press by a team of researchers working on a project called the World Event/Interaction Survey. Each event was given a value according to the degree of co-operation or conflict it involved. Then monthly "positivity scores" were calculated on the basis of these values. Although part of the analysis was carried out by computer, the final results were displaced in simple graphs showing the trends and changes in relations over the six-year period.

The data revealed, for instance, that U.S.-Soviet relations began to show less conflict in late 1967 and, despite the Czechoslovakian crisis, to improve generally through 1968. The trend continued in 1969 and most of 1970 under the new

*U.S.-Soviet
co-operation
seemed to lead
in some periods
to greater
Sino-Soviet rift*

Nixon administration, but then deteriorated. By early 1971, the level of conflict interaction was the highest in three years and as great as or greater than the Vietnam and Middle East war-ridden period of 1966-1967. With regard to relations among all three powers, Professor Sigler's analysis did not find very strong evidence for the commonly-held assumption that greater co-operation between any two states leads to greater conflict by both with the third. For example, U.S.-Chinese co-operation in December 1969 did not appear to affect U.S.-Soviet relations, nor did the U.S.-Soviet *détente* in July 1970 appear to affect Chinese-Soviet relations. On the other hand, U.S.-Soviet co-operation seemed to lead in certain periods to greater Sino-Soviet conflict, and the Sino-Soviet *détente* of November 1970 was followed by the worst period in U.S.-Soviet relations.

Form of monitoring

A major preoccupation of foreign ministries is to interpret the overwhelmingly complex, seemingly orderless, and rapidly-occurring sequence of day-to-day events in the international system. Professor Sigler suggests that the systematic collection of event data might assist in summarizing these patterns and trends. It could thus provide a form of regularized monitoring that might be useful for policy-makers attempting to make sense of the on-going flow of events and to anticipate future problems that seem to be developing. To be sure, there is no claim that an international event-monitoring "system" would be a panacea. As a research technique, the event-data approach is still very young and is beset with unsolved methodological problems. These include such questions as whether "important" events should be weighted more than others, and how the degree of conflict or co-operation of a particular event ought to be measured. These problems, however, are not different *in kind* from those affecting other now commonly-used indicators such as the monthly cost-of-living index or unemployment rates. Although indicators of international trends are badly in need of refinement, they do hold the promise of becoming similarly useful in identifying problems and anticipating trends.

A second study with some relevance to this initial phase of the policy process was published in 1971 by Istvan Kende of Karl Marx University, Budapest, and the International Peace Research Institute, Oslo. Although Western scholars and policy-makers may not agree with all of Professor Kende's inferences and conclusions, the task he undertook was an inter-

esting one. He identified 97 "local wars" that had occurred between 1945 and 1969 – including Hungary, 1956, and China, Tibet, 1959, as well as "Dominica", 1965, Guinea Bissau, 1962, Zimbabwe, 1967, and others. He then examined these in terms of the nature and objectives of the participants, the involvement of foreign powers, the territory on which they occurred and the duration of the fighting. Wars were divided into three categories: internal anti-regime wars, those fought with the aim of overthrowing the central government; internal tribal wars, those involving successionist or minority group conflict; and frontier wars, those fought between two or more countries across national boundaries.

Professor Kende demonstrates, first of all, the considerable and increasing extent of war in the post-1945 period. In that span, conflicts involving a total of 72 countries took place. During the 25 years, there was an average of one new war every three months. The total duration of all the wars taken together was the equivalent of more than 260 years. If any reminder were needed, it is clear that the Cold War era has not been without a substantial amount of active conflict.

Within national boundaries

By far the predominant type of war, both in terms of the number of conflicts and their duration, has been the anti-regime war fought within the boundaries of one country. These amounted to approximately 80 per cent of all conflicts. More than two out of three have been fought with the participation of foreign powers and the proportion of anti-regime wars with foreign participation has steadily increased. While there was an average of 5.8 such wars occurring each day during 1945-1949, there was an average of 14.6 each day in 1965-1969. Since 1963, in fact, there had not been a single anti-regime war anywhere that had not had foreign participation. The general proportion of internal tribal wars has also increased in latter years, although the number of these with foreign participation has decreased. These patterns, of course, reflect in part the anti-colonial struggles in the Third World and, more recently, the increasing internal problems of the new nations.

The data do not by themselves provide answers to questions of policy choice. For a policy-maker in 1971, however, they might have helped to identify certain long-range problems. For a country, such as Canada, interested in performing a peace-keeping role, they also might have suggested continuing long-range responsibilities.

ies. The trends indicate not a lack of, but an actual increase in, the type of conflict for which peacekeeping was originally intended. While particular efforts at peacekeeping during the 1960s may have proved difficult, the trends indicated a likely demand for them. Both the persistence and changing nature of these conflicts also suggest the need for an "active" rather than merely "reactive" concern with world events.

Searching for information

The second phase of the policy process identified earlier was that of information search. The sort of information required in particular policy decisions ranges from the very specific and practical to the very general and abstract. The problem, for example, may be one of recalling how a particular state voted in the United Nations General Assembly on a certain issue or set of issues. To provide this specific information a diplomat could perhaps consult experienced UN observers to see if they could recall such details. On the other hand, he could also, more quickly and efficiently, make use of a readily-available and comprehensive set of data on all assembly roll-call votes since 1946.

Culled from UN documents by a series of scholars, the voting positions (yea, nay, abstain or absent) of every member on every resolution have been codified and the information punched on computer cards. Some of the work being conducted by Brian Tomlin of Carleton University has made use of and added to these data. While Professor Tomlin's research primarily involved using the computer to analyze the data in a statistical sense, it also demonstrates that the computer could be used to simply provide a "printout", which would display the raw information in an easily-readable form. Copies of this printout (each about the size of an average atlas) could be supplied at very low cost to all in the policy community who might find it useful. Thus the diplomat trying to obtain a particular piece of information about an earlier assembly vote could consult a copy of the printout and find the answer in a matter of seconds. The advantage of such a simple information retrieval "system" is partly that of drawing together scattered facts and then presenting them in an easy-to-use manner (the same advantage that an atlas has over an unsorted and dissimilar set of small-scale maps). In addition, there is also the considerable advantage that the information can be easily and continually updated.

Another interesting and timely project

with relevance to this information-search stage of the policy process is currently being carried out by Robert Friedheim of the Center for Naval Analyses, Arlington, Virginia. A number of years ago, Mr. Friedheim and his associates began a "content analysis" of speeches made at the first two Law of the Sea Conferences. These data have been expanded, using the verbatim records of public UN committee debates and confidential summaries of closed-door sessions. A total of 189 issues related to Law of the Sea were identified in the speeches, including such aspects as continental-shelf definition, the freedom of ocean science research, the adequacy of the present seabed-law framework, and the authority of the Intergovernmental Oceanographic Commission. A scale was developed for each of these issues to cover all existing alternative policy positions. For example, the scale on the question of scientific research ranged from "maintain freedom of scientific research" through "scientific research only under UN control" to "scientific research only with consent of the coastal state". By systematically reading and classifying all the speeches made by representatives of every country, Mr. Friedheim was able to assign a general summary score reflecting the position of each country on each issue.

According to Mr. Friedheim's data, Canada's position on the freedom of scientific research, for instance, was slightly positive toward such research but relatively close to the median for all countries. Those most opposed to the freedom of scientific research, according to the data, are various of the Latin American and South Asian states, particularly Mexico, Peru, Chile, India and Pakistan. Similar observations could be obtained from the data on all the other 188 issues.

Such data not only lend themselves to a variety of intriguing academically-oriented analyses (some of which Mr. Friedheim has carried out and published) but also comprise a useful source of information for the policy community. The analysis of speeches, of course, is not an innovation in diplomatic practice. Nor does it necessarily require formal content-analysis procedures and an elaborate computer-based retrieval system. What is exceptional about Mr. Friedheim's project is not the manner in which he is collecting the data but the scope and magnitude of those data, and the ease with which comprehensive information can be obtained from them or additional information can be added. For any given point in time, the data would provide precise information about the general positions not of a few

*Scale developed
for classifying
Law of the Sea
speeches linked
to 189 issues*

*Stress scope,
magnitude
of data,
provide basis
for analyses
and information*

countries on a few issues but of all participating countries on each of a large and possibly exhaustive set of issues. Moreover, the data could provide information about the changes, if any, between the positions held by all these countries at one point in the past and the most current position they have declared.

It would thus be possible to assess with considerable accuracy both how similar how many other nations were on a particular issue, and how much these had shifted in what direction over a period of time. For the policy-maker concerned with obtaining information as to the likelihood of his nation's position being adopted, such data would be an invaluable supplement to the first-hand knowledge of available experts. Mr. Friedheim's research, notably enough, has been rather widely and extensively used in the U.S. policy community in ongoing work for the third Law of the Sea Conference in Caracas this summer.

Prospects limited

Each of the studies discussed here has something to offer. With respect to both identifying problems and providing information, the data and the results of these researchers would seem to be useful in particular ways for those involved in determining and implementing policy. At the same time, such research cannot answer all the questions that must be answered before difficult decisions are made. One rea-

son is that the nature of interpolimetric studies virtually necessitates a narrow focus on selected phenomena rather than a broad focus on all aspects of a situation. Another reason is that the methods used in these studies are costly, time-consuming, and, as was emphasized earlier, still in a very primitive state. Moreover, researchers are as yet only beginning to tackle their self-declared task of trying to develop theories or models that explain something about the real world of international politics.

If and when such theories were developed, there would be little doubt as to their importance, just as there is little doubt about that of Keynesian economic models. If it could be shown, for example, that a certain kind of action by a state in a certain context will usually give rise to a certain kind of international response, and it could be explained why this was so, then this simple theory or model would have obvious policy utility. But in the foreseeable future the products of interpolimetric research are destined to remain considerably more modest. While the policy community should thus neither fear the imminent arrival of a computerized foreign ministry nor wait too expectantly for a general theory of foreign policy, it should nevertheless seriously consider the various, albeit limited, ways in which interpolimetric research can be of relevance.

Influence of the mass media on the conduct of foreign policy

By J. B. Black and A. E. Blanchette

"We should carry on constant communication among the people on the facts of world progress. At the same time, we must tell them that, while the prospects are bright, there will be twists and turns in the road." (Mao Tse-Tung, "On the Chungking Negotiations", October 17, 1945) Radio Yen'an (later Radio Peking) began broadcasting its view of the turning road well before the end of the revolutionary war in China in 1949.

No country today neglects the mass media in the formulation and conduct of its foreign policy. Canada was a pioneer in

the field of national radio services and international broadcasting. The CBC International Service, as it was then called, was formed in 1942. In close co-operation with the Department of External Affairs and the Wartime Information Board, it began to play an increasingly active and effective role in the allied propaganda battle against the wave of Nazi broadcasts emanating from occupied Europe under the imaginative, if unscrupulous, direction of Dr. Joseph Goebbels, Hitler's propaganda minister.

Radio broadcasting to foreign lands

the preparation of television programs for use abroad, newspapers, books, films, exhibits and cultural exchanges have long been considered useful instruments in the conduct of foreign affairs, by projecting abroad an image of peoples and governments, their aspirations, ambitions, and so their problems.

Canada has used such means to foster trade and tourism, to encourage immigration, to explain its economic and fiscal policies, to promote peace — in short, to help to form public opinion abroad and, in so doing, to achieve its own objectives. On a more personal plane, Canadian soldiers and foreign service personnel overseas have found such programs, particularly the daily news broadcasts of Radio Canada International, to be an excellent means of keeping abreast of events and trends at home, program content being designed to project an objective image of Canada and present the news as it is.

Canada broadcasts today to all parts of the world in English and in French, as well as in several other major languages, such as Russian and Spanish. The major emphasis is on news, giving accurate and objective accounts of events in Canada and elsewhere. However, the life and preoccupations of Canadians are not overlooked, and commentaries, interviews, music and entertainment are also provided to portray what is happening in Canada.

Defining propaganda

Some countries are, of course, a good deal less objective than Canada in their presentation of developments, and indulge in what is usually called propaganda. What is propaganda? For many people today, the term has a pejorative meaning it did not have originally. The word is an abbreviation of the Latin *Congregatio de propaganda fide* — the Congregation for the Propagation of the Faith, founded by Pope Urban VIII during the early part of the seventeenth century to educate priests for missionary and other good works abroad. A noble purpose. In today's context, the *USO*, *les Volontaires du Progrès*, the Peace Corps, come to mind.

There are, of course, many definitions of the word. One of the most delightful, by the British classicist F. M. Cornford, runs as follows: "That branch of the art of living, which consists in very nearly deceiving your friends without quite deceiving your enemies". In a general sense, propaganda is an organized attempt, using the mass media, to influence people to adopt a belief or form of action. This may include an extremely wide range of human activity, quite apart from foreign policy.

In foreign policy terms, it usually implies a one-way flow of information from one state to another for the benefit of the originating state.

While, down through the centuries, by political acumen, wisdom, instinct or just plain good luck, statesmen have often made good use of what might be called communications techniques to influence opinion at home and abroad, it is in the twentieth century that the art of communication has been most systematically used as an instrument of foreign policy. The systematic approach was rather less common in years gone by, but earlier diplomatic techniques could nonetheless be quite effective. Using his charm on Madame de Pompadour — the less-romantically-inclined claim that he used his purse — the Austrian Foreign Minister, Prince Kaunitz, is said to have managed to persuade her to prevail upon Louis XV to reverse France's traditional eighteenth century alliances in favour of Austria, then in difficulty with Prussia. Kaunitz's diplomatic ploy was successful, but unfortunately the results for both countries, France especially, were disastrous.

Leisurely pace

Before the advent of telegraphy, the pace of diplomacy was extremely leisurely. Instructions could take months to arrive at a post and despatches to headquarters travelled equally slowly. Thomas Jefferson is said to have complained of a United States minister in Spain from whom he had not heard for several months about a delicate negotiation that, if he did not have definite news in another month, he would write him a very sharp reminder.

Such slowness could have serious drawbacks. Owing to the absence of rapid communications during the War of 1812, the Battle of New Orleans was fought two weeks after peace had been signed at Ghent on December 24, 1814. News of that event only reached North America early in February 1815, some six weeks later, the time that it took mail-packets to cross the Atlantic in those days.

Yet there are disadvantages to the very rapidity of modern methods of communication. They tend to concentrate

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attention on immediate issues, and, in the process, the long-range implications can sometimes be lost sight of. There is also the problem of information or news, swiftly transmitted, that turns out to be wrong or based on misleading evidence. An early example of this, with tragic consequences, was the famous Ems telegram, doctored by Bismarck and released to the press, which was one of the factors that led to war between France and Prussia in 1870.

In the old days, relatively long lapses of time occurred between the receipt of information and the sending of instructions to envoys. Sustained analysis and lengthy study were possible. There was, for example, a series of brilliant despatches from the Canadian Embassy in Washington analyzing political and economic conditions in the United States during the 1930s. The despatches were a labour of love, beautifully drafted, admirably documented, often 60, 70 or 80 pages long. They were carefully read and annotated by the prime ministers of the day and other interested members of the Cabinet. Canadian diplomats going to international conferences by boat or train certainly had time to put their thoughts in order. While these aspects of early Canadian diplomacy evoke a pleasant nostalgia, the pace of life today is, of course, much too fast to allow such a leisurely approach. The rapidity of modern methods of communication is now an integral part of our way of life.

Broadening of interest

Two factors have been primarily responsible for the increased role of the media in international politics — several striking developments in the technology of mass communications, which have greatly increased the pervasiveness of the media and accelerated the process of disseminating information, and the broadening of public interest and participation in the political process, with a resulting increase in the importance of the power to influence events and opinions.

Until the First World War, relations between states were conducted largely on a ruler-to-ruler or government-to-government basis, with the diplomatic service providing necessary liaison. Since then, we have seen these relations broaden to include the masses of the people as well and other channels of communications have been opened. As the basis of political participation within states has broadened, the number of people whose attitudes and opinions are politically significant has greatly increased. With the extension of the franchise in democratic states, larger segments of the population have had to

be taken into account by those in power. Even in non-democratic systems, public opinion has become a force that cannot be ignored.

Modern means of communication really began to get under way with the invention of the steam-powered rotary press early in the nineteenth century. *The Times* of London began using such presses in 1814. However, the greatest progress occurred when the message was severed from the traditional medium of delivery — that is, the messenger, the horse or the boat — and hooked to electricity by means of the telegraph, and eventually the telephone, the teletypewriter and radio. Yet it is really in the last quarter-century that almost unbelievable changes have taken place in communications technology — the advent of the transistor, television and cable systems, Xerox, facsimile, the computer, satellites. All are typical of contemporary communications technology and are used in the conduct of foreign policy.

No boundaries

Statesmen now have at their command a range of instruments of communication that even the most accomplished practitioners of the art of public persuasion could hardly have conceived of only a couple of generations ago. As a result, the media today know no national boundaries. Radio broadcasting, for instance, has been global for some decades now, thus making it possible for leaders in one state to appeal on questions of international, even domestic, policy to the leaders of other states and also to the mass of the people in those states. This is being expanded even further today by progress in transmitting *via* satellites, which is paving the way for direct television broadcasting from one state into individual homes of other states, thus bypassing normal national control mechanisms. As a byproduct of these developments, the regular monitoring by foreign ministries of international broadcasts, the vast majority of which emanate from state-controlled systems, has become an effective method of rapidly obtaining the foreign policy line of other countries.

In all parts of the world, governments are mindful of public education and literacy rates are rising. Increasing numbers of people want access to whatever reading and audiovisual material they can obtain. Newspaper and magazine circulations, well as the publication of books and pamphlets, have increased greatly in the global context. New publication techniques, such as offset printing, allow vast quantities of material to be prepared quickly, attractively

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vely and relatively cheaply. Films, radio and television are also excellent tools for fighting illiteracy. In many parts of the world, open-air cinema reaches large numbers of people. One of Canada's most engaging ventures in this field was the mobile caravans that toured the African continent a few years ago offering outdoor film projections, exhibits of Canadian artifacts and products, and photographic displays of typical Canadian scenes to enthusiastic urban and rural audiences. For some, the Canadian movies shown were the first films they had ever seen. Potential audiences for information of all types are increasing throughout the world.

Cultural and educational programs are sometimes called "soft-sell" propaganda. They are, of course, long-range in aim. They also vary from the more common type of communication in that they are more than simply a one-way street, since they carry within themselves a considerable potential for cross-fertilization of ideas, with a consequent enrichment for the countries concerned.

Currently, the two-way process of communication is becoming more common and more influential in the formulation of foreign policy as the media become increasingly swift in the transmission of information, pervasive in the extent of their coverage, and telling in their impact on public opinion. Public reaction to events can now be so rapid as to leave governments with relatively smaller scope for manoeuvring than they might find desirable.

The televising of the moon-landings is perhaps the most striking example of the speed with which the media transmit messages today. Barely more than a second elapses between happenings on the moon and reception on television screens around the world. When news reaches people so quickly — indeed, when the public can witness events as they occur and at the same time as government leaders witness them —, public opinion can jell so fast that political leaders find their field of options quickly narrowing. The widespread and furious reaction of world public opinion doubtless had a bearing on the decision of the Soviet authorities to handle the Khrushchov case as they did. The televising in the United States of scenes of fighting in Vietnam contributed to changing public opinion about the war, which in turn exerted strong pressure on government policy in Washington.

The impact of the media has long been beyond doubt. A famous example is Orson Welles 1938 radio drama based on H. G. Wells's novel *The War of the*

The art of international communications ...



Electronic Age

"I move we postpone discussion of peaceful uses of atomic energy and turn to peaceful uses of human energy."

Worlds. The program caused virtual panic among alarmed citizens in the New York/New Jersey area. Telephone service almost ceased because of overloaded exchanges. Highways became blocked by traffic as people sought safety from the "Martian invaders". With the influence of the media in mind, President Charles de Gaulle once remarked of his political opponents in France: "They have the press. I have the RTF and I intend to keep it." (The RTF, now ORTF, was Radio-Télévision Française, the state broadcasting system that became one of the pillars of his government.)

However swift, influential and pervasive, the media cannot, of course, be used independently as effective instruments of foreign policy. As the name implies, they are means, methods, instruments of transmission. Although it may seem at times that they have a life of their own, they are nevertheless dependent for the content of their message upon traditional methods of diplomacy — thought, analysis, negotiation and thorough study of the political and economic realities on which foreign policy is based.

Media dependent for content on traditional methods of diplomacy

The Atlantic Declaration of Ottawa

The 15-member North Atlantic Treaty Organization, meeting in Ottawa on June 18 and 19, adopted a declaration reaffirming the principles guiding the alliance in its twenty-fifth anniversary year.

The Atlantic Declaration of Ottawa was approved in a ceremony at the close of the NATO ministerial session on June 19 and formally signed at NATO headquarters in Brussels on June 26.

The declaration reaffirmed the conviction of members of the alliance that the North Atlantic Treaty "provides the indispensable basis for their security, thus making possible the pursuit of détente". The declaration restated their undertaking that their common defence was one and indivisible, but recognized that the nature of the danger to which NATO members were exposed had changed.

The declaration recognized that, although the commitment of all the allies to the common defence reduced the risk of external aggression, the contribution to the security of the entire alliance by the nuclear forces of the United States based in the U.S.A. as well as in Europe and by the presence of North American forces in Europe "remains indispensable". The NATO statement noted that European members undertook to make the necessary contribution to maintain the common defence, while the United States, for its part, reaffirmed its determination "not to accept any situation which would expose its allies to external political or military pressure likely to deprive them of their freedom...". All members of the alliance agreed that "the continued presence of Canadian and substantial U.S. forces in Europe plays an irreplaceable role in the defence of North America as well as of Europe".

On the much-debated question of consultation, the declaration said that alliance members were resolved "to keep each other fully informed and to strengthen the practice of frank and timely consultations by all means which may be appropriate on matters relating to their common interests as members of the alliance, bearing in mind that these interests can be affected by events in other areas of the world...".

In a press briefing following the close of the ministerial session, External Affairs Minister Mitchell Sharp described the Atlantic Declaration as a document of considerable importance because it came at a time when most international agreements showed signs of weakening. "This is a most remarkable anniversary in that the NATO alliance remains as firm and as united as ever..." he said.

U.S. Secretary of State Henry Kissinger said final agreement on the NATO declaration was the culmination of a process which had its genesis in his "Year-of-Europe" address of April 1973. There was a need for the Atlantic alliance to take account of changed relationships in the world — changes in the strategic situation, the new fact of "constant negotiations between East and West, the impact of events in other parts of the world on the alliance".

The following is the text of the Declaration on Atlantic Relations:

The members of the North Atlantic Alliance declare that the Treaty signed 25 years ago to protect their freedom and independence has confirmed their common destiny. Under the shield of the Treaty the Allies have maintained their security, permitting them to preserve the values which are the heritage of their civilization and enabling Western Europe to rebuild from its ruins and lay the foundations of its unity.

The members of the Alliance reaffirm their conviction that the North Atlantic Treaty provides the indispensable basis for their security, thus making possible the pursuit of détente. They welcome the progress that has been achieved on the road towards détente and harmony among nations, and the fact that a conference of 35 countries of Europe and North America is now seeking to lay down guidelines designed to increase security and co-operation in Europe. They believe that under circumstances permit the introduction of general, complete and controlled disarmament, which alone could provide genuine security for all, the ties uniting them must be maintained. The Allies share a common desire to reduce the burden of arms expenditure on their peoples. But states that wish to preserve peace have never achieved

is aim by neglecting their own security. The members of the Alliance reaffirm that their common defence is one and indivisible. An attack on one or more of them in the area of application of the Treaty shall be considered an attack against them all. The common aim is to prevent any attempt by a foreign power to threaten the independence or integrity of a member of the Alliance. Such an attempt would not only put in jeopardy the security of all members of the Alliance but also threaten the foundations of world peace.

At the same time they realize that the circumstances affecting their common defence have profoundly changed in the last ten years: the strategic relationship between the United States and the Soviet Union has reached a point of near equilibrium. Consequently, although all the countries of the Alliance remain vulnerable to attack, the nature of the danger to which they are exposed has changed. The Alliance's problems in the defence of Europe have thus assumed a different and more distinct character.

However, the essential elements in the situation which gave rise to the Treaty have not changed. While the commitment of all the Allies to the common defence reduces the risk of external aggression, the contribution to the security of the entire Alliance provided by the nuclear forces of the United States based in the United States as well as in Europe and by the presence of North American forces in Europe remains indispensable.

Nevertheless, the Alliance must pay careful attention to the dangers to which it is exposed in the European region, and must adopt all measures necessary to avert them. The European members who provide three-quarters of the conventional strength of the Alliance in Europe, and two of whom possess nuclear forces capable of playing a deterrent role of their own contributing to the overall strengthening of the deterrence of the Alliance, undertake to make the necessary contribution to maintain the common defence at a level capable of deterring and if necessary repelling all actions directed against the independence and territorial integrity of the members of the Alliance.

The United States, for its part, reaffirms its determination not to accept any situation which would expose its Allies to external political or military pressure likely to deprive them of their freedom, and states its resolve, together with its Allies, to maintain forces in Europe at the level required to sustain the credibility of the strategy of deterrence and to maintain the

capacity to defend the North Atlantic area should deterrence fail.

In this connection the member states of the Alliance affirm that, as the ultimate purpose of any defence policy is to deny to a potential adversary the objectives he seeks to attain through an armed conflict, all necessary forces would be used for this purpose. Therefore, while reaffirming that a major aim of their policies is to seek agreements that will reduce the risk of war, they also state that such agreements will not limit their freedom to use all forces at their disposal for the common defence in case of attack. Indeed, they are convinced that their determination to do so continues to be the best assurance that war in all its forms will be prevented.

All members of the Alliance agree that the continued presence of Canadian and substantial U.S. forces in Europe plays an irreplaceable role in the defence of North America as well as of Europe. Similarly the substantial forces of the European Allies serve to defend Europe and North America as well. It is also

Two articles examining the current role of the North Atlantic Alliance will appear in subsequent issues of International Perspectives.

recognized that the further progress towards unity, which the member states of the European Community are determined to make, should in due course have a beneficial effect on the contribution to the common defence of the Alliance of those of them who belong to it. Moreover, the contributions made by members of the Alliance to the preservation of international security and world peace are recognized to be of great importance.

The members of the Alliance consider that the will to combine their efforts to ensure their common defence obliges them to maintain and improve the efficiency of their forces and that each should undertake, according to the role that it has assumed in the structure of the Alliance, its proper share of the burden of maintaining the security of all. Conversely, they take the view that in the course of current or future negotiations nothing must be accepted which could diminish this security.

The Allies are convinced that the fulfilment of their common aims requires the maintenance of close consultation, co-operation and mutual trust, thus fostering the conditions necessary for defence and favourable for *détente*, which are complementary. In the spirit of the friendship, equality and solidarity which characterize

their relationships, they are firmly resolved to keep each other fully informed and to strengthen the practice of frank and timely consultations by all means which may be appropriate on matters relating to their common interests as members of the Alliance, bearing in mind that these interests can be affected by events in other areas of the world. They wish also to ensure that their essential security relationship is supported by harmonious political and economic relations. In particular they will work to remove sources of conflict between their economic policies and to encourage economic co-operation with one another.

They recall that they have proclaimed their dedication to the principles of democracy, respect for human rights, justice and social progress, which are the fruits of their shared spiritual heritage and they declare their intention to develop and deepen the application of these principles in their countries. Since these principles, by their very nature, forbid any recourse to methods incompatible with the promotion of world peace, they reaffirm that the efforts which they make to preserve their independence, to maintain their security



UPI photos

Britain's Foreign Secretary James Callaghan takes his place at the conference table for the ceremony marking the approval of the Atlantic Declaration at the Ottawa meeting of NATO foreign ministers.

and to improve the living standards of their peoples exclude all forms of aggression against anyone, are not directed against any other country, and are designed to bring about the general improvement of international relations. In Europe, their objective continues to be the



NATO Secretary-General Joseph Luns checks his watch in the conference room at the NATO ministerial meeting in Ottawa as he jokingly reminds U.S. Secretary of State Henry Kissinger that he is late for the ceremony. Dr. Kissinger had been conferring with Portugal's Foreign Minister Mario Soares.

pursuit of understanding and co-operation with every European country. In the world at large, each Allied country recognizes the duty to help the developing countries. It is in the interest of all that every country benefit from technical and economic progress in an open and equitable world system.

They recognize that the cohesion of the Alliance has found expression not only in co-operation among their governments but also in the free exchange of views among the elected representatives of the peoples of the Alliance. Accordingly, they declare their support for the strengthening of links among Parliamentarians.

The members of the Alliance redeclare themselves to the aims and ideals of the North Atlantic Treaty during this year of the twenty-fifth anniversary of its signature. The member nations look to the future, confident that the vitality and creativity of their peoples are commensurate with the challenges which confront them. They declare their conviction that the North Atlantic Alliance continues to serve as an essential element in the lasting structure of peace they are determined to build.

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 list of the most recent documents that have been
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 partment of External Affairs, Ottawa.

No. 31 (March 15, 1974) Board of Governors of
 the International Development Research
 Centre.

No. 32 (April 24, 1974) Passport Office contin-
 ues plans during mail strike.

No. 33 (April 26, 1974) New passport office
 opens in North York.

No. 34 (April 29, 1974) Canada's participation
 at the International Ocean Exposition -
 Okinawa, Japan, July 20, 1975, to January
 18, 1976.

No. 35 (May 3, 1974) Visit of the Secretary of
 State for External Affairs to Poland.

No. 36 (May 9, 1974) Canadian delegation
 to the ICSC in Laos; withdrawal from Vien-
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No. 37 (May 8, 1974) Agreement on cinema-
 tographic exchanges between Canada and
 France.

No. 38 (May 23, 1974) Film on consular assis-
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No. 39 (June 7, 1974) Extended Canadian par-
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No. 40 (June 10, 1974) Department of External
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Mr. Marc Baudouin as first resident An-
 bassador to Morocco.

Mr. Robert Parke Cameron as Ambassador
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Mr. Merrill Gusten Clarke as Commissioner
 in Hong Kong.

Mr. Wilmer James Collett as Consul Gen-
 eral at Chicago.

Mr. André Joseph Gilles Couvrette as An-
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Mr. Pierre Dumas as Ambassador
 Czechoslovakia and Hungary.

Mr. Jacques Gignac as Ambassador to Tunisia.

Mr. Donald Hunter Gilchrist as Consul General at Los Angeles.

Mr. Clive Edward Glover as High Commissioner to New Zealand, Tonga and Western Samoa.

Mr. Peter Arthur Edward Johnston as Ambassador to Indonesia.

Mr. Henry Alan Lawless as Consul General at Bordeaux.

Mr. Keith William MacLellan as Ambassador to Pakistan and Afghanistan.

Mr. Angus James Matheson as High Commissioner to Trinidad and Tobago.

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In force May 8, 1974.

Exchange of notes between the Government of Canada and the Government of the United States of America amending the Air Transport Agreement of January 17, 1966.

Ottawa, May 8, 1974.

In force May 8, 1974.

Multilateral

Protocol extending the International Food Aid Convention of 1971.

Washington, April 2, 1974.

Signed by Canada April 19, 1974.

Protocol extending the International Wheat Trade Convention of 1971.

Washington, April 2, 1974.

Signed by Canada April 19, 1974.



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Problems of real partnership in the U.S.-European equation

By Nils Orvik

Observers on both sides of the Atlantic have for some time been disturbed by the apparent deterioration of the relations between the United States and Europe as represented by the nine members of the European Economic Community. Although the facade is normally preserved on such formal occasions as the recent Ottawa meeting of NATO ministers, one senses clearly the frustrations and tensions on both sides. Given the past, present and future importance of Atlantic relations, it seems an essential task to try to explore some of the factors that disrupt relations between the two major Western partners. They present a complex syndrome with economic, nuclear and possibly, also, ideological aspects. In this context, we shall try to limit the discussion to three major variables: the frustrated development of the European Community; the leadership problem; and the increasing global commitments of the United States.

These are at least partly a function of the French opposition to British membership in the Common Market and its repercussions on a possible European alternative in the 1960s. Further, it relates to President Lyndon Johnson's escalation of the Vietnam war in 1964-65 and, finally, to the global diplomacy of the Nixon-Kissinger era. One cannot emphasize too much that the tensions between the United States and the Community of Nine are to a large extent a question of leadership. There were few such problems in the fifties but, as one could see from the European reactions to the McNamara strategy and the ill-fated plan for a multilateral nuclear force (MLF), Europe's doubts about the quality of American leadership were emerging already at the end of the Kennedy period. However, it was the Vietnam war, which most Europeans saw as a dangerous diversion, that made them fully aware of the leadership problem and the extra-European or global predominance of American foreign policy.

Since 1965, the Europeans have been reoccupied by two major problems in their

relations with the United States. Being former world powers, they have, on the one hand, struggled to keep pace with the United States and at least remain visible in the international picture. On the other hand, they have striven to avoid actual commitments that could directly involve them in conflicts and operations the Americans engaged in outside Europe.

Peripheral to Vietnam

This has been particularly true of Britain and France, which, for close to two decades, had great difficulty adjusting to the power constellations that emerged after 1945. Vietnam became a turning-point, an eye-opener indicating to the three major European countries that, as far as the United States was concerned, Western Europe was becoming peripheral to the main issues and efforts in American foreign policy. Such diversions as Vietnam might deprive them of the close and direct leadership and the preferential treatment the United States had provided until the escalation in Vietnam.

After 1965, the Western Europeans felt they were left on the sidelines and relegated to a low-priority area, which only

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During one of the warmer moments in recent U.S.-European relations, Secretary of State Henry Kissinger shares a toast with three of his European counterparts — Jean Sauvagnargues of France, Hans-

Dietrich Genscher of West Germany and James Callaghan of Britain. The occasion was the approval of the Ottawa Declaration at the June meeting of NATO foreign ministers.

received secondary consideration from the American Government. This also affected NATO, the strongest tie between the Atlantic nations. As long as the Europeans refused to become directly involved outside what was defined as the North Atlantic area, NATO was becoming close to irrelevant to the major enterprise in American foreign policy.

One might wonder why the West Europeans, left to themselves, did not compensate for the lack of American leadership by concentrating harder on building the Common Market into a wider and stronger community. There are two major answers to this question. One is that the road to further integration had been closed by Charles de Gaulle in 1963, when he rejected Britain's plea for EEC membership. When, in 1966, he continued on the separatist line by disengaging France from the military organizations of NATO, the impasse became close to complete. Without France, there could be no European alternative. With the United States getting ever deeper involved in Southeast Asia and France moving toward semi-neutrality, the other Europeans were left with few options. The *Ostpolitik* initiated by West Germany about that time was, in fact, another expression of unilateralism, though in forms that were generally more acceptable than the French deviation.

There is also another possible explanation for the deadlock in Western

Europe during the late Sixties. The Europeans were from the very beginning convinced that the oversized American engagement in Vietnam was a mistake, which they hoped would soon be corrected one way or the other. They could not believe that the American Government would allow close to eight years to pass by before they brought the unfortunate experiment to an end. So they waited year after year in mounting despair for the Americans to realize the futility of the Vietnam engagement and "come home to Europe".

When, in 1969, President Nixon and Henry Kissinger, both seasoned in European affairs, took the lead in American foreign policy, it looked for a while as if that moment had arrived. American foreign policy would again resume its Atlantic and European orientation. Such illusions were quickly shattered, first by the Nixon Doctrine and then by the American *prochement* with the two major Communist powers, a policy that formed the core in Kissinger's blueprint for ending the Vietnam war. Rather than "coming home" to resume the role of direct and vigorous leadership of the Atlantic Alliance, the Americans plunged headlong into another global venture, which again left the Europeans on the sidelines.

Impact of détente policy

As conducted by the Nixon-Kissinger administration and manifested by the SA

Two reasons for European failure to compensate for lack of American leadership

and the preferential U.S.-U.S.S.R. trade agreements, East-West *détente* has presented the Europeans with contradictory problems. On one hand, they have long wanted effective *détente* measures that might modify the Soviet threat and allow for a smaller national defence posture. On the other, they are painfully aware of the sharp increase in Soviet military capabilities and the need for a continued active American participation in European security measures. When the Americans became engaged in largely bilateral negotiations with the Soviet Union, the West Europeans started to worry about deals made over their heads that could have an adverse effect on their own security. The Americans, on their side, have seen *détente* as a necessary means to solve such pressing problems as ending the Vietnam war and controlling such world crises as the Middle East turmoil. As the Soviet Union seems to have made *détente* in Europe a top priority, it has become diplomatic currency, a form of "payment" by which the Americans hope to ensure Soviet co-operation on issues that are seen as vital to American interests.

To some extent the Nixon-Kissinger team became prisoners of their own game. The ultimate goals of this policy were not known. But if they saw *détente* as a matter of expediency, primarily determined by American national interests, they could hardly complain when the Europeans took their assurances of a continued *détente* at face value and reduced their national defence efforts on the grounds that, in a situation of manifest *détente*, as proclaimed in joint U.S.-Soviet proclamations, strong military measures were no longer necessary.

Clearly, the Americans cannot eat their cake and have it. *Détente*, as outlined by the Russians since the middle Sixties and accepted by the Americans in the long sequences of talks and negotiations since 1971, may have helped the administration solve a number of problems that seemed vital to American interests on a global scale. But, as was the case with Japan in the economic field and with Europe in terms of security, there is a price to be paid whose long-term effects may outweigh the often short-term advantages that were won in the delicate dealings of immediate expediency.

European rivalries

If the Americans have been the most active partners in the past decade, they did not get most of the attention. But it would not be fair to blame the United States for all the difficulties that have de-

veloped in Euro-American relations. Since the early Fifties, the West Europeans have been chided for their inability to get together and "speak with one voice". For many reasons, stemming mainly from fears and rivalries between Germany, France and Britain, this has so far proved impossible. It can hardly be denied that the Europeans themselves are mainly responsible for their lack of success. But, as we have seen, this fact is not unrelated to the American policy toward Europe and the influence of the United States on the main European actors.

It may well be that, given the situations and the context of the problems as they emerged, there were no real opportunities. But it is indisputable that Britain's devious attitude to European integration has been largely conditioned by its protracted confidence in a special relation with the United States. On the other hand, there has always been something very irrational about the U.S. policy toward France. Admittedly, President de Gaulle and his successors were hard to deal with. But many of the clashes were due to differences in style. The Americans have proved quite inept in distinguishing between form and substance in their relations with France. The U.S. response tended to be shrill and emotional, and often out of proportion to what was involved. Washington's preoccupation with Western Germany has, on the whole, had a stabilizing effect on Euro-American relations. But the long years of special attention have developed habits and expectations that may prolong German efforts to adapt to a greatly changed international situation.

One should not forget that the "dumb-bell" or "two-pillars" notion was formulated by the Americans. Postwar U.S. administrations have, each in its own way, tried to promote steps toward a closer European integration, but always on the implicit condition that unification was approached in terms that were acceptable to the main strands of American foreign policy. In practical terms, this might indicate that the U.S. Government wants a say in Europe's global engagements that might have the effect of a veto on foreign policies and positions sharply divergent from those of the United States.

The inconsistencies and contradictions in the American policies toward the European Community have been clearly visible in the Nixon-Kissinger period. Henry Kissinger is generally admired and respected in Europe for his dazzling performance as an all-round troubleshooter and peacemaker. But his European policy

*Elements of
irrationality mark
American relations
with France*

has not been entirely successful. The expectations raised by his 1973 "Year-of-Europe" speech were not satisfied. It took another year before his busy schedule allowed for further discussions of the proposed "Atlantic Charter", and the outcome of these talks was not impressive. Euro-American tensions kept building up through the 1971 "currency shocks", the Middle East conflict and the energy crisis. They are now further complicated by the Cyprus crisis. These situations seemed to call for a joint European position. Their inability to agree on a common energy policy was embarrassing to the countries of the Nine. On the other hand, on occasions when the Nine have managed to meet with a prepared and accepted joint policy, the Nixon administration accused them of "ganging-up" against America!

Power centres

According to the Nixon-Kissinger pentagonal balance-of-power system, the five power-centres should have approximately equal weight. This is not the case now and is unlikely to be so for a long time to come. China, Japan and the European Community operate on levels of performance that are far below those of the United States and the Soviet Union. During the past few years, the trend has been toward a superpower crisis management, where the Americans and the Russians get together and try to find some mutual agreement that they may urge the feuding parties and other concerned states to accept. This has been the case in most earlier crises as well, but it seems now to have become more of a standard pattern. Such practices form the background for Henry Kissinger's famous remark about the Europeans having regional interests, while the United States had global responsibilities.

At the moment, it is hard to dispute the relevance of that remark. Unless the Nine can agree among themselves on joint positions on *global* issues that are not necessarily directly related to Europe, they will be confined to a regional role. Even if they should become reconciled to such limited responsibilities, recent crises like those in the Middle East, Portugal and Cyprus have effectively demonstrated that the security of a particular area cannot always be handled within the traditional definition of regions. Thus they may be left with only national roles.

This is one of the major problems of NATO, which still remains the main organizational framework for Euro-American security measures. Is it realistic to think that the security of a certain NATO coun-

try can be confined to a given, closely defined area? Is it possible today to make clear distinctions between regional and global security interests? The Europeans may have had a strong case when they argued that the Vietnam war was none of their concern, although it was declared to be vital to the United States. But how about the Middle East, which is the major supplier of oil to Western Europe as well? Would not a conflict in that area be equally important to *all* NATO members? And what about the recent confrontation in Cyprus, which is geographically within the NATO area? Is it a global or a regional problem? Should the Europeans refer such cases to the global category as matters to be handled by the superpowers, which are supposed to have the means to deal with them, or should they take the lead and assume the responsibility for managing such crises themselves — through which organizations and by which means?

These questions are parts of the general problems of intervention and regional global crisis-management, which reach far beyond the scope of this paper. But one cannot deny their relevance to the Atlantic Community, where Europeans and North Americans operate in a common environment. In view of the nature of conflict in today's world, with the regional-global overlapping and with the complexity caused by transnational as well as multinational actors and by factions and semi-official groups operating in a truly international fashion, shifting their activities from one country or continent to another, one wonders if NATO and other organizations that are the familiar vehicles for U.S.-European relations can continue to function within their present confines.

Mutual needs

Similar considerations apply to the Community of Nine. It appears that the United States wants a European Community where the member countries first consult individually with the American Government and then get together on a joint policy as recommended by the United States, rather than first agree between themselves and then "speak with one voice". Obviously, the United States cannot have it both ways. If it wants the European Community to appear as an equal and effective partner, it will have to accept the fact that the Community will present views that reflect what the Nine see as co-ordinated European interests. This may not always correspond in all details to the American view but if there is any reality in their common Atlantic political institutions, values, tr

tions and culture, it would seem possible for them to agree on long-term issues of principle, which ought to be of greater importance to all of them than matters of short-term expediency.

The core of the matter is probably related to *mutual needs* — as perceived by the two major partners. If the United States sees a pressing need for European assistance, its relations with Europe will receive closer attention. The same holds true for the West Europeans. Neither will deny that such needs exist, but they will probably argue that they are not urgent. In this uncertain atmosphere, each of them tends to take the other for granted and this has had a harmful effect on both parties. As we have seen in recent years, there are limits to how far and in what way such mutual needs are being met. Therefore, whether seen from a European or an American angle, a clarification of the regional-global dilemma seems immediately necessary for the future performance of NATO, as well as for the more general aspects of U.S.-European relations. The urgency of these problems has been strongly emphasized by the recent developments in Cyprus. The Greek-Turkish conflict over Cyprus has provided another example of the complexity of the regional-global dilemma, and the growing relevance of geographical limitations and the increasing strains on U.S.-European relations.

Like most other international organizations, NATO was established on the assumption of formal equality. Until the middle Sixties, the predominance of the United States and its apparent ability and willingness to carry any load, regional or global, was so overwhelming that distinctions between them seemed unnecessary. This is no longer the case. American lead-

ership is challenged on both major levels.

As indicated by the Nixon Doctrine, the United States will contribute to common causes in a reasonable proportion to the contributions of other members. This goes for the whole range of tasks from the regional to the local levels. If the European members of the Atlantic Community find that they can only make regional — which in fact are national — contributions to the common cause of Western security, it is hard to see how they can defend a claim to influence in a definitive way the major decisions on the global level as well. In a tight situation, like the one we now seem to be moving into, one will have to accept some proportionality between “input” and influence. The Atlantic debates on this issue have been conducted under the label of “consultations”. If this word could be read as synonymous with “information”, there would be hardly any problems. But at the core of the consultation issue is the power to apply a veto, as well as the right to make alternative suggestions.

Thus the question of “inputs” and influence remains the most crucial, and by far the most difficult, of all the factors that cause friction in Euro-American relations. If the Europeans want to make a larger contribution, they will have to merge their national efforts with the framework of the Community of Nine. If the Americans, on their side, really desire the European contributions they keep asking for, they will have to accept a Community with a pre-negotiated position and with views on global issues that do not always conform to American policy. The third alternative, the uncertain road of semi-neutrality, is likely to spell disaster to both.

change in style, not substance

Themes of French foreign policy will remain set under Giscard

Robert J. Jackson

Géry Giscard d'Estaing's election as twentieth President of France aroused considerable speculation in foreign capitals that a change in French foreign policy was imminent. A more realistic appraisal, however, indicates that any such change will be more of style than substance. The image of French politics demands a

realistic and continuous foreign policy based on past achievements, and with Giscard in authority this combination is almost certain to be forthcoming.

The objectives or key words of French foreign policy will remain static for the near future because of three primary facts. First, the past policies have been hallowed

by time. Their parameters have been set since 1946 and do not owe their importance uniquely to Charles de Gaulle. Secondly, the policies follow logically from several assumptions about French interests and world interests. Thirdly, the array of political forces in France would make great change foolhardy, if not dangerous. Seen from the perspective of North America, France has attempted to increase its role and influence in the world, but has consistently failed to bring objectives and resources into equilibrium. Seen from the French vantage-point, a strong and independent France is the best safeguard against a world unjustly ruled by the two superpowers.

The themes of "security", "status" and "independence" have dominated the French scene since at least the Second World War, and can even be traced to Bonaparte. In his first speech to the National Assembly this spring, Giscard's hand-picked Prime Minister, 41-year-old Jacques Chirac, stressed the fact that "national independence" would continue to be the cornerstone of French foreign policy. The emphasis on this simple idea of national self-esteem arose mainly from the fact, often forgotten, that it was France that defended Europe's independence against the Nazi invasion. Then, after the economy of the Fourth Republic witnessed a remarkable recovery from the German defeat and occupation, French leadership reluctantly acknowledged three changed world circumstances. The first was the domination of the international sphere by two powers and then two alliances — Warsaw led by the Soviet Union and NATO by the United States. The French harboured suspicions of America and did not want to be forever separated from Eastern Europe. This attitude originated in the Fourth Republic, was empha-

sized during President de Gaulle's tenure of office, and continues in present-day French thought. Jacques Chirac reaffirmed it recently when he spoke of the need for warm co-operation with the United States but "sur un pied de stricte égalité".

Franco-German ties

The second accepted circumstance was that the future of France in the world would depend on a Franco-German reconciliation. Of course, France hoped to be the dominant partner in the new relationship, with Germany the principal ally, repentant and reformed enemy. The third circumstance concerned France's overseas territories. Starting with Vietnam, the French territories rebelled, and eventually the whole community was abandoned. This created a belief that France had special interests in only a few parts of the world — in particular the Maghreb and French-speaking Africa. With the oil crisis of the 1970s, this expanded to include all the Mediterranean Arab countries.

The emphasis on self-esteem and independence, based as it was (and is) on the validity of these three circumstances, created a belief in the need for a powerful military arsenal. The legacy of bitterness from the Second World War engendered an indelible belief that independence was not possible without weapons. In Georges Pompidou's philosophy, this was manifested in the recognition that, although the Cold War threat from the U.S.S.R. was over, "défense plus détente égale sécurité" was the proper nucleus of French policy.

Complementing this philosophical framework was de Gaulle's idiosyncratic personal style, which was based on a lack of appreciation for the daily concerns and the formidable inequalities of French life. In foreign policy he commanded a personal authority and grandeur Anglo-Saxons found difficult to accept. On his succession in 1969, Georges Pompidou made subtle changes in this style, manifesting more concern for economics and a somewhat less harsh reaction to American projects. The new President, Valéry Giscard d'Estaing, can be expected to continue this trend. However, the goal, the conditions and the realism of French politics will prevent this new style from greatly altering the essentials of French foreign policy.

Initiative in Europe

Under Giscard the foreign policy process in France will remain similar to that employed by the first two Presidents of the Fifth Republic. The appointment of Je-



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Wide World Photos

French President Valéry Giscard d'Estaing visited West Germany in July. Here he is seen with West German President Walter

Scheel prior to their talks on the second day of his visit.

auvagnargues as Foreign Minister is in line with most appointments to this ministry. A former civil servant (from 1970 to 1974 Ambassador in Bonn), he can be expected to be faithful to the President's every wish, as were Michel Jobert and Maurice Couve de Murville. His deep understanding of Europe, and especially of Germany, can be expected to help Giscard continue his close personal relations with Bonn's new Chancellor Helmut Schmidt.

Within the limits of the goals and conditions discussed above, the most obvious area for French initiative will be Europe. Whereas de Gaulle wanted France to play a leading part on the world stage, Giscard d'Estaing will probably opt for a strong European Economic Community (EEC), founded on Franco-German cooperation, which as a unit can have world status. Giscard's concern for Europe was very evident during the election campaign, when he declared that "l'Europe constitue pour moi la priorité essentielle". Although he did not appoint a Minister for Europe (Jean Lecanuet, the natural choice, was made Minister of Justice), he has made it clear that, with France as President of the Community (July to December 1974), he will take steps to "aboutir à l'union de l'Europe en 1980". He will have extensive opportunities during this period because the Copenhagen meeting last year empowered the French President to call any required summit conferences of Community leaders. He has, however, never explained how he intends to proceed to create a union of Europe by 1980. While he has called the EEC merely a confeder-

ation, he has indicated that he favours the direct election of a European parliament.

Optimism for European Union has been reduced in the last year and, even with a new approach, it is by no means clear how the EEC could become more united in the face of hyper-inflation. On the contrary, economic realities suggest that there will be a search for national advantage by all the partners. Moreover, neither France nor Germany is trying to amend the present practices of EEC policy-making. It is Italian demands for greater protection and British desires to renegotiate economic relations with the Community that are much more apt to come in conflict with the fundamental past objectives of the EEC. In view of these facts, Giscard's style will probably be to lead Europe to harmonize its policies by small incremental steps, not by major policy shifts.

Future European negotiations will be coloured to some extent by the Community's relations with the United States. While both Giscard and Chirac have spoken warmly of the United States (much was made of the fact that the new President spoke some English at his first press conference), it is doubtful that France will be prepared to follow American leadership in foreign policy. The common Canadian assumption of trust of the Americans is not accepted by a majority of Frenchmen. The left is particularly suspicious of American policy, and it is well to remember that de Gaulle obtained more than two million Communist votes at least partly because of his anti-Americanism.



Wide World Photos

Economic factors will influence Giscard d'Estaing's foreign policy. No newcomer to the international economic field, he is seen here addressing the Governors of the International Monetary Fund in 1972.

Giscard may not particularly like this situation, but it will be a factor for him to consider with care. The new President has been extremely precise in his statements about Washington, declaring that, although France and the United States must be partners, France must not be dependent on her ally. While agreeing to an exchange of information and consultation between Europe and the United States, Giscard has announced quite deliberately that "ce ne peut être en rien une structure contraignante pour nous" and that French independence is required "du monde extérieur en matière de défense, de monnaie, de politique étrangère et de culture".

Overseas policy

Traditional French overseas policy will not expire with de Gaulle and Pompidou. The absence of colonial self-government made a peaceful transition difficult for such states as Vietnam, Morocco, Tunisia and Algeria. Thus, while such countries had to obtain their independence through violence and hard bargaining, France continues to believe in its cultural superiority and the ability of the French language to aid in the assimilation of diverse peoples. The infamous "Québec libre" speech was in this tradition, as was the 1970 decision to set up an agency for 21 French-speaking countries to co-operate in technical and cultural spheres. For Canada, the solution to the latter came in the need for co-signatures of Canada and Quebec to the arrangement. This agency may not have fulfilled its ambitious goals, but it

Traditional view of French cultural superiority will continue

does remain a symbol of French international aspirations.

France's interest in the developing countries remains high. France's aid to developing countries continues to be well over 1 per cent of its GNP and places France among the leading contributors, although it must be admitted that part of this rather high percentage of the GNP is for contributions to its own overseas departments and territories. More generally, the new President is likely to continue Pompidou's lead in attempting to create an economic and political hinterland in the Maghreb, the Arab Mediterranean, and he will certainly continue France's presence in Africa. However, much some commentators may dislike French influence in these countries, France regards these policies as essential. France requires energy and supplies from them to feed its rapid industrial expansion, and must sell armaments in order to continue advancing its military potential. The on-again anti-Gaullist move so far, and possibly the last, was Giscard's removal of Jacques Foccart, the powerful Secretary-General of African-Malagasy Affairs, from his post at the Elysée. He had been a symbol of Gaullist continuity, and his dismissal means the end of Gaullist symbols, but not Gaullist policies, in Africa.

Nuclear deterrent

The most stable policies in France are likely to be those which concern national defence. The military policy — recognised as Gaullist — began in the Fourth French Republic and will continue with Giscard d'Estaing. It can be assumed that France will continue to develop its "force de frappe" and will not reintegrate its troops in NATO. These policies again stem from France's commitment to "independence" and acceptance of the principle that only nuclear weapons can provide national security. Obtaining a fair appraisal of this attitude is difficult in the face of scholarly scepticism about French military force. The deterrent, however, should be seen more as a symbol of independence from America than a weapon. No French leader believes that France's military arsenal can compete with that of the two superpowers. Its defence policy is based on a desire to resist a joint Russo-American hegemony in Europe, a belief that France can make it worthless for any nation state to attack its territory, and the certain fact that France can rival Britain as a nuclear power.

In consequence, by 1980 France's array of manned bombers, missile-launching submarines and land-based missiles is likely to place it ahead of Britain. With

a couple of years new hydrogen warheads will be placed on the submarine missiles, increasing their power from 450 kilotons to one megaton (one million tons of TNT) and confirming the French position. Refusal to join in general arms-limitation discussions and the Vienna talks on mutual force reductions also makes sense in terms of this French philosophy. The fewer nuclear weapons held by non-superpowers, the stronger France will become relative to the non-superpowers. Besides, France's space program is in third place, after the Soviet Union and the United States. The nuclear and space programs have also had subsidiary value, as they have aided in the development of high-level technological industries. This development allows France to compete with the United States in sales of aircraft to NATO.

Derogatory comments on the "force de dissuasion" are usually made with reference to France's atomic explosions or sales of armaments. The nuclear policy has been continuous. The Fourth Republic prepared the plans for the bombs which President de Gaulle exploded. Giscard's 1974 decision to explode more bombs in the atmosphere continued the policy. The thermonuclear explosions on the Mururoa atoll in the South Pacific were the last test of devices that were first exploded in 1970. Such bombs are relatively clean, the only radiation source being the small fission trigger mechanism. The last tests were required because such tactical weapons, with their complete launching systems, must be tested in the atmosphere. The tests also went ahead because Giscard had campaigned on that issue. Despite the added costs, La Direction des Centres d'Expérimentations Nucléaires has already announced that, beginning in 1975, all nuclear tests will be underground. The reason is certainly not the well-publicized attacks of Jean-Jacques Servan-Schreiber but the many positive advantages of such a move. These range from getting rid of diplomatic criticism of atmospheric explosions to a French concern for atmospheric pollution and a practical advantage, in that the tests will not have to be grouped because the weather will no longer be a factor. We should expect a "volonté de continuer la modernisation de la force de dissuasion", as Premier Chirac proffered. But, again, we should remember that the nuclear deterrent make most sense if seen as a symbol of independence from the United States.

There has been much rhetoric about armaments. During the election campaign, Giscard declared he would put a ban on

any sales of armaments that would prevent the self-determination of nations. Then, within weeks, he announced a large sale of hardware. This paradox is understandable. What, under de Gaulle, began primarily as a political policy to diminish Anglo-American influence changed to an economic orientation under Pompidou. And it is likely to develop further in this direction under Giscard d'Estaing. During de Gaulle's tenure, France's sale of arms quadrupled. This was primarily owing to exports to the Arab nations and to exploitation of the United Nations embargos on arms sales to Rhodesia and South Africa. In the 1970s, France has again tripled its arms exports and is now behind only the U.S.S.R. and the United States in the sale of weapons. Its armaments policy is also related to its military posture, as the French forces are equipped as much as possible with weapons that may be sold abroad.

Economic priorities

President de Gaulle's competition with the United States extended to economic warfare. He wanted to end what he considered the exorbitant economic influence the dollar enjoyed in the international monetary system. The great "gold war" was not an anachronistic desire for the old gold standard but an attempt to halt the American export of inflation and to decrease American ability to buy large sectors of European economies with money borrowed from these countries. The priority given to these types of economic question should increase under Giscard. While de Gaulle accepted the premise that neither France nor Germany had ever achieved anything great without considerable military intervention, Giscard may well change this to "nothing great ever occurs without a strong economy".

Some wags have declared that the new President may prove more successful with fiscal and monetary questions than with Frenchmen, and there certainly is some truth in the notion that the new President is more familiar with economic questions than with those of general foreign policy. Giscard d'Estaing's years as Minister of Finance and his education at L'Ecole Polytechnique should lead him to favour technical solutions to problems. The first indication that he intends to opt for piecemeal technical answers rather than grand schemes was seen in the appointment of his new Minister of Finance. Like Sauvagnargues, who was appointed to the foreign affairs portfolio, Jean-Pierre Fourcade was a civil servant who had served in Giscard's ministry and in bank-

Giscard will put emphasis on economic matters

ing before this assignment.

The new President faces a delicate situation. When he assumed office, he said privately that a 17 percent inflation was to be expected this year, and it has been estimated by others that the 1974 trade deficit will reach \$6-billion. This situation will have considerable impact not only on the daily life of Frenchmen but also on France's ability to remain politically "independent". The new Government publicly acknowledged the interdependence of French foreign policy and France's economic stability when it announced in June 1974 that: "Il n'y a pas de transformation de la société, dans le sens d'une plus grande justice, qui soit compatible avec l'inflation. Il n'y a pas d'indépendance nationale compatible avec un déficit extérieur et l'endettement à l'étranger." The Government then announced an austerity plan to reduce most of the rise in prices within a year and to eliminate the commercial deficit in less than two years. These economic measures will have some effect in promoting fiscal justice in France, but their greatest impact may come in diplomacy. French and German co-operation will be founded on the same economic posture, Italy and Britain will be told to pull in their belts and not live beyond their means and, if successful, France will be able to continue its policy of "independence" *vis-à-vis* the United States.

Role of social policy

The narrowness of Giscard's election victory over François Mitterand (51 per cent to 49 per cent) means that the new President must constantly look over his shoulder to the left. The election was determined very much by class voting, and Giscard will have to develop a meaningful and powerful social policy if the left is not to overwhelm the centre in the next parliamentary election. This is especially true now that 18-year-olds have been enfranchised. If the more than two million persons 18 to 21 years old had voted in the latest poll, François Mitterand would have been President of France. Moreover, Giscard does not have a majority of supporters in the Palais Bourbon and must avoid major foreign policy shifts if he does not want to be forced to dissolve the National Assembly prematurely. And, even though the constitution may no longer be "periodical literature", Giscard may prefer to rule with the National Assembly rather than against it.

These domestic considerations mean that Valéry Giscard d'Estaing can be expected to concentrate heavily on domestic

French President cannot neglect political base



United Press International

New men in Paris and Bonn have introduced a new style to foreign affairs. After a late dinner in Paris, Giscard d'Estaing escorts West German Chancellor Helmut Schmidt back to his hotel near the Elysée Palace.

economic and social policy. The major new French foreign policy initiative will, therefore, probably be on economic questions with the EEC. M. Tindemans, Prime Minister of Belgium, suggested that an opportunity for change existed when he announced recently that "le sort de l'Europe est en les mains de la France". But whether Giscard can subdue his penchant for technical solutions and lead France to a more romantic approach to European unification is an open question.

Calculating the possibilities of the French initiative is difficult in view of the stark realities of the world economic situation. As *Le Monde* asked on July 1 of this year: "Comment unir des économistes quand il ne s'agit plus de partager les bénéfices d'une expansion certaine mais de répartir le déficit d'un ralentissement inévitable?" Has Giscard's economic approach come too late in modern French history? There is no certain answer. It is to be hoped, however, that the dynastic conservatism of Giscard d'Estaing does not terminate in a "profil perdu", to borrow the title of Françoise Sagan's late novel.

Legacy of Brandt and Ostpolitik as German leadership changes

By Robert Spencer

Two years ago, in a brief piece published in this journal, I attempted to indicate the current state of Willy Brandt's *Ostpolitik*, and to suggest some of its implications for both West Germany and the East. At that time, it seemed that two stages of the policies inaugurated after the elections of September 1969 and the formation of the Social Democratic/Free Democratic coalition had been accomplished. Non-aggression treaties enshrining respect for existing frontiers had been concluded with Moscow and Warsaw, and limited traffic agreements had been signed with East Germany (the German Democratic Republic) in the wake of the quadripartite agreement over Berlin. Treaties to normalize relations with Czechoslovakia, Hungary and Bulgaria had not yet been concluded; and, above all, negotiations were still under way on the so-called *Generalvertrag*, the general treaty that was to regulate relations between Bonn and East Berlin (and incidentally to set the seal on the division of Germany).

In the course of the parliamentary battle to secure approval of the Eastern treaties, the slim majority backing the Brandt-Scheel policies had gradually eroded. As the autumn of 1972 approached, Chancellor Brandt stood on the threshold of an election everyone recognized as critical but whose outcome no one felt able to predict with any certainty. Whichever way it went, so ran the conventional wisdom, the verdict would be a narrow one, and the future of Brandt's *Ostpolitik* appeared to be at stake.

The elections of November 19, 1972, which took place after Mr. Brandt had engineered the defeat of his own government, returned the coalition to power with a substantial majority and made it the first stable government backed by the left in German history. A record of 91 per cent of the electorate voted; the FDP easily overcame the 5 percent hurdle; the Christian Democratic Union (CDU) and, even more significantly, the CSU in Bavaria, lost votes to the Social Democratic Party (SPD) and maintained their strength only by picking up the votes that

had formerly gone to the right-wing NPD. "It is," Chancellor Brandt could claim with justice, "the greatest victory in the 110-year history of the SPD."

How much it owed to the popularity of the *Ostpolitik* (which had been neatly capped by agreement on the *Generalvertrag* a few days earlier) is debatable. It certainly seems clear that this was a "Brandt election", with the SPD leader elevated to the status of a father figure, like Konrad Adenauer before him. The outcome plunged the opposition into disarray. Six months later, the luckless CDU leader, Rainer Barzel, precipitately resigned, destroyed by two defeats and by opposition within his own party. Franz Josef Strauss's star also appeared to be waning. It was suggestive of the CDU's problems that the parliamentary leadership devolved on the unknown (but attractive and able) newcomer to the Bundestag, Professor Karl Carstens, with Helmut Kohl, the Minister President from the Palatinate, subsequently assuming the party's leadership. At any rate, for the next 18 months Chancellor Brandt and Walter Scheel could pursue their *Ostpolitik* little troubled by the opposition, until, early in 1974, things began to fall apart.

In the intervening months, the *Ostpolitik* was less spectacular. Bonn's diplomatic network was rounded out; but no major choices or historic decisions (such

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as the acceptance of the territorial status quo in the Moscow and Warsaw treaties) were involved. The *Ostpolitik* began to enter a more work-a-day phase of building on previous agreements. As Egon Bahr, the acknowledged father of the *Ostpolitik*, put it, the drama of the tinsel weeks was over; Bonn was confronted with the nuts-and-bolts problems of everyday life. There was some evidence that the West German public had come to take the *Ostpolitik* for granted. When the *Generalvertrag* was debated in February 1973, the Bundestag was half empty. The signing of a new treaty or the visit of the Foreign Minister to an Eastern capital was accepted as routine.

For all that, the *Generalvertrag* (which came into effect on June 20, 1973) was a historic landmark. Twenty-eight years after the end of the war, 40 years after the establishment of the Third Reich that had led to it, the two Germanies, by their own volition, ratified the legal fact of division. Walter Rathenau's 1919 vision of a Rhenish league confronting a Wendish state seemed to be coming true. "Now we are Two," was the *Economist's* sardonic comment. After years of bitter confrontation, the treaty between the two German states seemed to symbolize the peaceful stabilization of the situation in Central Europe. Yet, as Peter Bender pointed out, "the special character of relations between the two German states still lies principally in the fact that they are particularly bad relations. Connections between Bonn and East Berlin have been formalized, but scarcely 'normalized' ". "Mutual distrust," commented the *Frankfurter Rundschau* (by no means a right-wing paper) later on, "is a permanent feature in the relationship."

After all, the treaty could change neither the conditions of life nor the interests of the two states; for both it meant no more than the unwilling acceptance of a state of things that could not be wished away. Neither political differences nor legal reservations were buried. When East Germany's Michael Kohl appeared in Bonn with the title of Ambassador, he presented himself to the Chancellor's office; the West German representative, Günther Gaus, had perforce to deal with the East German Foreign Office. The frosty relationship was perhaps symbolized by the fact that, on the day Herr Gaus arrived, a man was shot trying to escape from East Berlin. Reconciliation neither terminated the *Schiessbefehl*, as shooting along the Wall threatened, nor halted the progressive strengthening of the barriers along the Western borders of the GDR.

While *Abgrenzung* was regarded more as a political duty than a historical fact, the attempts to compensate for the opening up of the GDR to visitors from the West involved enlarging to almost ridiculous lengths the categories of individuals and groups forbidden to come in contact with them. Reconciliation was not helped by the shift in the top leadership in East Berlin after the death in August 1970 of Walter Ulbricht. Erich Honecker succeeded Mr. Ulbricht as Communist Party leader, Willi Stoph was kicked upstairs to replace him in the now ceremonial post of President of the Council of State while a tough hawk, Horst Sindermann, the successful party boss from Halle, became Prime Minister. Backed by the July 1973 decision of the constitutional court at Karlsruhe, Bonn continued to maintain that the *Generalvertrag* was fully in conformity with the provision of the Basic Law by which "the entire German people is called on to achieve by free self-determination the unity and freedom of Germany". The GDR lost no opportunity to emphasize that the treaty was binding in international law, and ruled out the reunification of such basically different social orders.

Division confirmed

The fact of division was confirmed when, three months after the *Generalvertrag* was implemented, the two German states were admitted to the United Nations as the 134th and 135th members. Membership had been a goal long sought by the GDR as means of achieving international recognition. But, in view of what had gone before, UN entry no longer assumed the signal importance once envisaged for Nor, contrary to earlier predictions, was the bitter intra-German contest simply transferred to the East River. The East and West German delegations refrained from polemic; and, seated next to each other, developed a practical good neighbourliness.

Any hopes cherished by the Bonn Government that it could appear at the United Nations on September 18, 1973, with its *Ostpolitik* rounded out by the three remaining Eastern treaties were unfounded. The difficulties proved greater than anticipated. The special and complex legal problem involved in the Czech declaration invalid *ab initio* took many months of negotiations before an acceptable formula was found. By a careful legal finesse the two countries agreed to regard the Munich treaty as "void with regard to their mutual relations", while protecti-

Treaty merely marked acceptance of what could not be changed

the rights of individuals from legal complications arising from its existence. In addition, with Prague, as with Budapest and Sofia, for which the Czech treaty was a form of stalking horse, Berlin proved a troublesome complication; the visit of Chancellor Brandt to Prague to sign the treaty was held up for three months over Czech reluctance to meet Bonn's requirement that any future German embassy should have the right to represent West Berlin individuals and institutions. Nonetheless, by the spring of 1974 Czechoslovakia, Hungary and Bulgaria were all represented on the Rhine.

Berlin problem remains

As the treaty negotiations with Prague, Budapest and Sofia indicated, Berlin was still not entirely lost its role as an acid test for *détente*, despite the quadripartite and intra-German agreements. A glance at the figures for transit traffic to and from West Berlin or for the visits by West Berliners or West Germans to the GDR reveals the changes since 1971. What has not changed, however, as one German commentator put it, is Berlin's role as a pledge in a pawnshop, a pledge that Moscow or East Berlin can take out or put back to cause trouble as they please. The establishment of the Federal Office for the Environment (pushed by the new Helmut Schmidt Government and approved by the Western powers) and the predictable counter-moves on the *Autobahn* confirmed that earlier incidents had suggested: East and West Germany are still poles apart in their attitude towards the isolated former capital.

For opponents of *Ostpolitik* (and there are many thoughtful sceptics), Berlin is the one place where immediate and tangible gains have been won in return for the concessions made through acceptance of the status quo in the East. And it is thus hardly surprising that Bonn has remained sensitive to East German threats to the access routes or to the dogged steps by Moscow and its partners to block as far as possible the inclusion of West Berlin in agreements concluded with Bonn. (When on May 8, 1974, a sports agreement was finally concluded with East Berlin, by an elaborate compromise there was no mention of West Berlin but rather of West Berlin boroughs [Berlin-Charlottenburg, for example] as the site of matches. Of such weighty matters are East-West relations composed.)

The difficulties that had arisen over Berlin were on the agenda when Leonid Brezhnev paid his visit to Bonn in May 1973. The visit itself was quite unprece-

dented. Stalin did not get beyond Potsdam. Khrushchov was brought down on the eve of his projected visit. But Brezhnev came to the Rhine generating good will and astonished the West Germans by the warmth and extent of Russia's desire for economic co-operation. To paraphrase a remark made at the time, he came not to bury capitalism but to borrow heavily from it. The West German Government was committed to raising the problem of Berlin; and this for a time threatened the harmony of the meeting. But Brezhnev treated it as a question already settled; the final communiqué did not even mention the word Berlin; it only stated that both sides were agreed that "strict observance and full application of the [quadripartite] Agreement are an essential prerequisite to lasting *détente* in Central Europe and to the improvement of relations between the states concerned...". As the difficulties over Berlin arise largely over the interpretation of the quadripartite and other agreements, this formula offered scant hope for ending them. It was all very well for Chancellor Brandt to assert in his report to the *Bundestag* that "our bilateral relations cannot be any better than the situation in Berlin"; but, however reduced in size and weakened in power, the Berlin card was still on the table.

Although there has been no lack of verdicts rendered by its opponents or proponents, it is obviously too early to draw up a final balance-sheet on the still-unfolding *Ostpolitik*. Many questions remain unanswered concerning, for example, the origins of the policy and the preliminary links forged by Egon Bahr. But much is clear. By the spring of 1974, four and a half years of *Ostpolitik* have transformed West Germany's diplomatic position in Europe. When the Brandt-Scheel Government was formed late in 1969, there were no ties with Central and Eastern Europe except those with the Soviet Union (a legacy of the Adenauer era) and with Yugoslavia and Romania (products of the Kurt Georg Kiesinger/Willy Brandt coalition). Four and a half years later, Bonn's diplomatic network embraced all the states of the Warsaw Pact, including, of course, the unmentionable German Democratic Republic. Establishment of these diplomatic links, however valuable in themselves and however indispensable as a foundation for future contacts, did not bring with it changes in the system. "The treaties are now completed," said Chancellor Brandt in his New Year's message. "It is now a matter of turning the intentions we have formulated in them into realities."

The harsh reality is that efforts to

*Berlin ignored
in communiqué
on Brezhnev's
visit to Bonn*

*West Germany's
diplomatic position
in Europe
transformed*

build on the treaties have to date produced discouraging results. While the Brezhnev visit seemed designed to consolidate the links between Bonn and Moscow (Theo Sommer in *Die Zeit* described it as marking the end of both the Second World War and of the Cold War), many questions concerning the economic and commercial ties that were at the nexus of the new relationship remained open. Similarly, Polish demands for increased credits in return for the release of ethnic Germans (who constitute a small but highly-skilled and hard-working part of the Polish population) led to an unseemly wrangle, as did the revival of an old claim for compensation of concentration camp victims.

The price of West Germany's diplomatic return to Central and Eastern Europe has been the acceptance of existing frontiers and the division of Germany. Have all the concessions been made at the expense of the West? Can one say with *The Economist* that "Herr Brandt's grand design . . . has so far produced almost nothing except a slight improvement in the position of Berlin, and permission for a small number of West Germans who live near the East German border to visit relatives on the East side more often"? "Is it logically possible," Wolfgang Wagner, a distinguished West German journalist asked, "for a policy at one and the same time to solve the German problem which has caused Europe so much trouble and yet to leave the matter open", to accept division and yet reiterate determination to maintain the national community? Certainly the improvement through the reaffirmed status of Berlin and the guarantees for the access routes has been more than slight, and the eastward flow of West Germans (if not the westward flow of East Germans) has increased. At the very least, it is possible to argue that nothing has been given away that had not been irretrievably lost anyway, that the treaties merely involved acceptance of an unavoidable status quo, that the *Ostpolitik* is no more than *die Kunst des Selbstverständlichen*, the art of the obvious.

As regards intra-German relations, Peter Bender has argued persuasively that in the Basic Treaty the GDR had to pay for foreign-policy gains with domestic policy losses: if the GDR has been upgraded in the West, so too has the Federal Republic been upgraded in the East, and, moreover, in the process has lost its assigned bogeyman role. German history, as Theo Sommer put it in *Die Zeit*, has perhaps shown that Germany is divisible, but also that a divided Germany is unstable

and even dangerous when there is no freedom of movement for men and ideas. Heinrich Boll and other intellectuals had seen "the weakest part of *Ostpolitik*" in failure to achieve these freedoms. If the treaties with the East are milestones on the road to understanding, that road still unpaved.

Despite the universally-acknowledged contribution of the *éminence grise*, Egmont Bahr, the *Ostpolitik* as it has unfolded since 1969 has been peculiarly Willy Brandt's, its inspiration stemming from his Berlin days. It is one of the oddities of recent German history that it was looking over the Wall into Communism's ugliest face that Brandt (and others) were persuaded of the need to come to terms with it. By 1973 he had become — as the *London Times* dubbed him — a man for Europe, East as well as West, the very personification of the policy of reconciliation with the East. It is this fact that gave his sudden resignation in May 1974 peculiar importance. It will be months even years before the full story of the Guillaume affair is known.

Crisis for Brandt

The crisis was long in building up. Willy Brandt, a complex and moody character, found himself within a year of his stunning electoral victory at the head of a battered government, with the public opinion polls showing that the SPD had lost much of the support of the electorate to the opposition (and even to its coalition partner). Unable to control his own radical left wing, Brandt had also to endure increasing sniping from prominent colleagues such as Helmut Schmidt and Herbert Wehner, and even from his tireless electoral supporter, the novelist Günter Grass. In the face of this growing distrust of his leadership Brandt seemed to have lost his taste for governing. He became, as the Germans put it, *Amtsmüde*, a Chancellor who had exhausted his powers to govern. A deep sensitive man, he was also hurt by the cynical exploitation by the East of his success in persuading West Germans to pay a high price for reconciliation. The last straw in the destruction of a Chancellor was the discovery that one of his close aides was an East German spy. Faced with the choices of battling on to vindicate himself (a course which was personally distasteful), or of throwing the blame on others (and here, as on other occasions, he had been badly served), or of resigning, Mr. Brandt took full responsibility and laid down the Chancellorship two and a half years before he would have to face the electorate again. The step was without

Price of
Ostpolitik is
acceptance of a
divided Germany



Photo — Canada Wide

In May the incoming and outgoing West German Chancellors Helmut Schmidt and

Willy Brandt share a joke. Brandt resigned as Chancellor on May 7.

precedent in German history. However much he may have welcomed the opportunity to escape from burdens with which he could no longer cope, Mr. Brandt's final action as Chancellor ranks as not the least of his contributions to the fledgling German democracy.

At the turn of the year, Gustav Heinemann's understandable reluctance to take on another term as President and Foreign Minister Scheel's nomination for the post already heralded the disruption of the remarkably successful partnership that had presided over West German destinies since 1969. But in the event it was the dramatic breaking of the Guillaume affair (ironically, almost simultaneously with the arrival of the East German Ambassador to take up his post in Bonn) and Chancellor Brandt's sudden resignation that precipitated changes on an unexpectedly vast scale. Within a few days, the Federal Republic had a new President, a new Chancellor, and a new Foreign Minister.

Helmut Schmidt, who as Finance Minister and one of the SPD vice-presidents, was clearly marked as Mr. Brandt's successor. A resolute pragmatist, he will be a Chancellor of a different stamp. In a period when *Ostpolitik* is certain to be upstaged by both domestic problems and *Westpolitik*, and all three are dominated by economic considerations, Mr. Schmidt has the expertise and experience to provide the kind of leadership which the Federal Republic requires.

In Hans Dietrich Genscher, the former FDP Minister of the Interior, the Government has an inexperienced but tough-minded, equally down-to-earth Foreign Minister. And as the voters in the state elections in Lower Saxony indicated by checking the downward slide of the

SPD, the new Schmidt-Genscher partnership is to be given a chance to see what it can do. Bonn's *Ostpolitik* has not been brought to a halt by the Guillaume affair and its aftermath (although Chancellor Schmidt went out of his way in the new Government's policy statement to describe it as contrary to the spirit of the Eastern treaties and as "seriously straining" the relationship between their partners), but it seems certain to be pushed into the background. As the former Chancellor himself remarked, "Herr Honecker may well be in a position to bring down a West German Chancellor, but no one should allow him to run down the policy of *détente* in Europe." But with Willy Brandt, Egon Bahr and the other Berliners he brought to Bonn with him banished from the centre of power, and Gaus in East Berlin, *Ostpolitik* will be pursued by the new team in a less feverish and sentimental manner.

Mr. Schmidt's sober, economically-oriented speech revealed the intention to concentrate "realistically and soberly on essentials," and to aim not at resolutions but at "practical results to give more substance to the policy of *détente* in Europe". This has a very different ring from Mr. Brandt's first policy statement as Chancellor five years ago. The period of *Wiedergutmachung*, of reconciliation, of pact-making, is at an end. Perhaps it would be better to reserve the term *Ostpolitik* for the opening-up of the East wrought by Mr. Brandt, Mr. Bahr and Mr. Scheel, and to use some such term as "*détente* policy" for the tasks to which Mr. Schmidt and Mr. Genscher must now turn — building on the treaties through which their predecessors stabilized the situation in Central Europe.

Schmidt aims at practical results to give substance to détente

The natural resource element in global power relationships

By Harald von Riekhoff

It is not without historical irony that, after a prolonged period of international trade liberalization and specialization, during which the exercise of power in global politics could be divorced from the actual physical possession of mineral and food resources, we should now relapse into a quasi-mercantilist state of mind in which the conception of power is again clearly correlated, if not actually equated, with ownership of key raw materials like petroleum. By introducing a raw-material perspective into the discussion of global power relationships, we are merely providing a new accent rather than proposing a uni-dimensional explanation of international politics.

The possession of raw materials constitutes only one variable in the international power equation. But it has become an increasingly important one at a time when the existing international economic system is undergoing a fundamental transformation. This change, in itself, was to a large extent brought about by an increase in the price of raw materials and by supply problems. In periods of uncertainty about a new economic order, nations are inclined to attach greater significance to the ownership of physical commodities than in normal times, when the smooth operation of the system as a whole seems to offer the best guarantee for the protection of their interests. This may help to explain the special importance that is currently

attributed to the possession of raw materials.

During the past year, economic issues have dominated the scene far more than strategic or purely political questions. Within a very brief time, we have witnessed the final collapse of the international monetary system as it had been operating since Bretton Woods; worldwide inflation has occurred on an unprecedented scale; petroleum prices have quadrupled and the general terms of trade have been reversed in favour of raw materials and food products. The transformation of the world economic system has already affected the global balance-of-power situation, and further changes may be expected.

Strategic balance

In the face of this frantic activity on the economic front, the strategic balance between the two superpowers has demonstrated a remarkable degree of stability and immunity. Recent problems in managing this strategic relationship, which surfaced during President Richard Nixon's last visit to Moscow at the end of June, seem to be more directly linked to changes in weapons technology and deployment than to economic issues. Similarly, efforts toward an East-West *détente* are continuing on both sides despite a certain amount of disillusionment. During the energy crisis, the U.S.S.R. behaved with remarkable restraint and caution. It neither added to the predicament of the Western industrial nations by joining the Arab oil embargo nor exploited the rich propaganda potential of the situation. The energy crisis made the West European and Japanese more aware of the importance of the Soviet Union as a potential source of energy products and other raw materials, but at the same time it underlined the risks of dependence on foreign suppliers.

Even though the strategic balance and the move toward *détente* seem to have withstood the impact of the altered economic situation, other aspects of the global balance of power have been affected by the

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new circumstances. Dr. Henry Kissinger's conception of a pentapolar international system seems to be less convincing in the new context, even as an academic model, than it may have been two years ago. From the outset, it was a highly debatable proposition whether Western Europe and Japan — the former without a central government, the latter without a nuclear force, and both without a global involvement except in purely economic terms — had the necessary attributes to function as world centres of power. Now even the economic base of West European and Japanese power has been called in question. Japan's dependence on foreign energy and food supplies is almost total, and it will remain substantial for West Europe even with the exploitation of North Sea petroleum. This leaves these two potential centres of world power extremely vulnerable to price fluctuations, inflation, and balance-of-payments difficulties — not to speak of politically-motivated disruptions that might be engineered by foreign suppliers or shipping states.

If we accept Ranke's classical definition of a great power as one that can operate without assistance from outside powers, then there is little great-power potential in these two vulnerable societies. At the same time, we might note that, paradoxically, it is precisely this vulnerability that may compel the Europeans and Japanese to overcome their reluctance at becoming politically engaged in areas like the Middle East or Africa in order to create favourable conditions for the supplies they need.

tripolar system

The model of a tripolar international system, which could be defended on strategic, political and ideological grounds, tends to be reinforced by the pattern of mineral production. The United States, the U.S.S.R. and China have more self-sufficient economies than other candidates for great-power status, with China being the most self-contained economy of all major middle powers. Nevertheless, all three have their vulnerabilities when it comes to raw materials. China and the Soviet Union depend on foreign grain imports, while the United States is unlikely to achieve the goal of Project Independence — i.e., self-sufficiency in energy products by 1980. Even with the most intensive drive, it is unlikely that more than 75-80 per cent of U.S. energy needs will be met from domestic sources. The Soviet dependence on foreign grain supplies must be attributed to managerial and motivational failure. It is not a question of an inad-

equated resource-base, and could be remedied by structural reform.

In the accompanying table, countries are ranked according to their 1972 production figures for some 17 key minerals. Three indicators are used: the number of times a nation scored among the top ten global producers; the percentage of world production; and the aggregate value of a nation's mineral production.

As emerges from the table, the United States and the U.S.S.R. occupy the first and second places respectively on all three indicators, while China's position varies between fourth and sixth place and might have been higher if a more reliable database had been available.

Loosening economic cohesion

The second major development one might note is the loosening of economic cohesion within the two major economic blocs despite the unchallenged global power position of the two bloc leaders. In COMECON the previous unwritten rule which obliged members to conduct more than one-half of their total trade with other Soviet-bloc members no longer operates in practice. Poland's current trade balance with non-members of COMECON exceeds the value of its trade with bloc partners. Other nations of the Warsaw Pact are likely to follow suit. This trend is likely to become even more pronounced if the Soviet Union should no longer be in a position to meet the entire energy requirements of its East European allies. This might occur within a decade, and would force the East Europeans to look for alternative sources of energy outside their economic bloc.

In the West, the collapse of the previously-established international monetary system, which has been equated to a Copernican revolution in the financial universe, has removed the U.S. dollar from its central position in the system. In addition, there was the painful realization at the height of the energy crisis that, in an emergency, the United States would not be capable of supplying its allies from its own energy sources for any extended time and that U.S. military power and diplomatic strength might not suffice to procure energy supplies from third sources. Thus Washington's allies will have to preserve the option of a separate accommodation and special deals with oil-suppliers, even if such policies conflict with U.S. foreign-policy goals and tactics in the Middle East.

A third recent development in the international system is the emergence of powerful blocs of commodity producers. In

*United States
incapacity
to supply allies
energy needs*

the past, blocs were usually shaped on the basis of common ideology, geographic proximity and shared security concerns. In the case of commodity blocs, it is the interest in promoting favourable international conditions for the sale of a specific product that provides the link. The recent success of the Organization of Petroleum Exporting Countries (OPEC) in quadrupling oil revenues in less than a year is likely to act as a catalyst for the producers of other commodities. Producer cartels — or commodity coalitions, as one might also style them — like CIPEC (for copper) and the recently-created association of bauxite producers might acquire increasing significance in co-ordinating the economic strategy of their members, even on issues that go beyond the marketing problems of a specific product.

At the same time, it would be unrealistic and unduly fatalistic to believe that other producer cartels could duplicate the performance of OPEC. The principal producers of other key minerals lack the geographic cohesion, economic and cultural homogeneity and the driving political motivation that united the Arab oil-producers. Moreover, other commodities are characterized by greater demand elasticity and are more easily replaced at short notice than petroleum.

A fourth feature of the changed international structure is the sudden accumulation of wealth by a few members of the so-called "Third World". The limitation of the Third World idea stems from its all-inclusiveness — it may refer to geographic location, level of economic development, or a state of mind. Poverty has been the most obvious that all members of this diverse group had in common and that thus gave some meaning to the conception. This unity in poverty no longer exists.

Some analysts have, therefore, used the term "Fourth World", a demotion in definition that distinguishes the rank-and-file members of the group from their *nouveau riche* counterparts. It is the juxtaposition of considerable wealth with lack of economic, industrial and social development, and the consequent inability to absorb the accumulating oil revenues, that has made the OPEC countries such a potentially destructive force in the international system. The concentration of more than \$50 billion of highly liquid funds in the hands of a few key oil-producers threatens to wreck any conceivable international monetary arrangement and has rendered the prospects of returning to a system of fixed exchange-rates entirely illusory. It is this new weapon in the hands

of the Arab oil-producers that has made their participation in the reconstruction of the international monetary system mandatory and has suddenly provided them with entry to the inner councils that were hitherto reserved for the principal industrial powers.

Bolstering absorption capacity

One could suggest several measures that would help defuse this monetary time bomb: strengthening the domestic absorption capacity of the oil-producing states through greater social welfare projects and the creation of an industrial infrastructure. These measures would stimulate demands for export products from hard-pressed industrial nations. Another way would be a recycling of the oil revenues by investment in industrial nations. This course, however, breeds its own problems. If the investment is in the form of short-term securities, it retains its high liquidity and thus jeopardizes the stability of the monetary system. In addition, it is likely to be invested precisely in the industrial nations whose balance-of-payments situation looks most favourable and which, consequently, need it least. Bonn Chancellor Helmut Schmidt has recently suggested that these favourable nations — the most likely being the United States and West Germany — should in turn act as "marshalling yards" to balance the inflow of oil dollars by the outflow of capital to countries with balance-of-payments difficulties. On the other hand, if the recycling of oil revenues takes the form of direct investment, it will encounter all sorts of political obstacles. In a recent bilateral deal, the Iranian Government acquired 25 percent control of Krupp. If this were to become majority control by Iran, one might envisage a scenario in which Krupp reverted to its historical role as a weapons manufacturer and produced tanks and other sophisticated military equipment for Iran and its Arab neighbours. The impact of such a development on the military balance in the Middle East and on German-U.S. relations could be disastrous.

Finally, no efforts should be spared to encourage the rich oil-producers from the Third World to participate in foreign aid programs. This would place the international aid schemes on a broader basis and would, furthermore, create additional demands for export goods from industrial nations. One could envisage joint development projects that would involve both oil-producers and industrial nations — e.g. schemes in which the former would make available low-interest development loans

Other resource-producers lack homogeneity of Arabs

RANKING OF PRINCIPAL MINERAL PRODUCERS (1972)*

Diversity index

(Number of times
qualifying as
principal producer)

Average share of
of world production
(in %)

Ranking by aggregate
value of mineral
production

U.S.A.	17	U.S.A.	20.4	U.S.A.	1
U.S.S.R.	17	U.S.S.R.	18.0	U.S.S.R.	2
Canada	16	Canada	13.3	Canada	3
Australia	10	South Africa	6.0	China	4
China	9	Australia	4.0	Venezuela	5
		China	3.3		

*The following minerals were included: petroleum, natural gas, coal, copper, nickel, iron ore, zinc, asbestos, cement, potash, gold, lead, silver, uranium, molybdenum, sulphur and bauxite.

and the latter would reimburse them for at least some of the difference between the concessional and conventional interest rates. Although this would be a desirable outcome, it is far from being a probable one. Judging by their recent behaviour at the special session of the United Nations General Assembly last spring, OPEC members were apparently unresponsive to the plight of the less-fortunate nations of the Third World. OPEC nations are threatened by defection from within their own ranks and a consequent price collapse. There is also the danger of an early replacement by another commodity and of eventual depletion within a generation. Few of them dispose of resources other than oil, and the fragile nature of their recently-found wealth provides less than an optimum climate for altruistic sentiments or a far-reaching global strategy.

Pivotal industrialized states

The hybrid role of the rich oil-producing states among the developing countries has no counterpart in the surplus producers of raw materials within the group of industrialized nations, and, as with the former, particular prominence is currently derived from this pivotal status. Most important among this particular group are countries like Canada and Australia, with other nations like Venezuela, Brazil and South Africa moving into the same category as their industrialization advances. As industrialized societies, these nations are less dependent on the services of outsiders for the exploration, production and processing of their mineral resources than the producers of the Third World. While the mineral exports of Canada and Australia are somewhat less spectacular than the recent oil revenues of Iran and Saudi Arabia, they are based on a much wider

“mix” of products and are thus less vulnerable to price fluctuations and changing terms of trade.

As the above table shows, Canada occupies third place, after the United States and the U.S.S.R., as a world producer of key minerals. Unlike that of the other two, Canada’s domestic consumption of these commodities is limited; consequently its actual position as a world exporter of mineral products is even more notable. Canada is the only Western industrial nation that will be self-sufficient in energy in the near future. In addition, it is one of the principal world food-suppliers. In 1973-74, Canadian exports of wheat and flour constituted 20 per cent of total world exports; the figure for coarse grains was 7 per cent.

These statistics have not changed dramatically over the past few years. What has changed, however, is the importance that is being attributed to these factors under the critical conditions of world food-shortages and spiralling commodity prices.

Asbestos, zinc and nickel, where Canada’s share of world production resembles the status of Saudi Arabia and Iran with respect to oil, offer less leverage than oil for playing global power politics – nor is this Canada’s desire. But Canada’s favourable resource-base and its dual position as an industrial power and a principal producer of raw materials upgrade its bargaining position in the international context on a wide array of issues. The support Canada will give to specific economic policies will to a large extent be determined by its location on the resource dimension, just as the eventual success in resolving these issues will in no small measure be decided by the actual strength of the Canadian position.

Canada’s bargaining position in the international resource market enhanced

Canada's middle position

As a raw-material producer, Canada is naturally sympathetic to the efforts of the producer groups to strengthen domestic control over foreign investment and improve surveillance of the activities of multinational enterprises. Canada's own policy of increasing the processed content in its mineral exports corresponds to the aspirations of other producer nations. At the same time, being a foreign investor itself and having close ties with the major industrial nations, Canada seeks international acceptance for the general principle that nationalization of foreign assets should be accompanied by proper compensation within the framework of international law. Canada's middle position can also be illustrated by referring to other issues, such as producer cartels. The utility of producer associations is recognized.

The period (1973-74) has been marked by a major upheaval in global economic relationships, the implications of which are still unfolding. Through the resulting confusion and controversy, one point is clear: the prospects for the economic and social progress of a large number of developing countries have been seriously jeopardized.

The jeopardy is greatest for those that are poorest. Without a major effort by the international community, 800 million people around the world can expect almost no improvement in their conditions of life for the rest of the decade. For hundreds of millions more, the improvement will at best be meager.

Much of the World Bank's attention during the year has been directed to finding ways in which it, and the international community of which it is a part, might help to meet this challenge. The Bank has been adapting its operations and activities to the needs of its members, as it strives to make a more effective contribution to development in the very different world that is now evolving. It should be stressed, however, that the Bank's historical role as an intermediary for incremental capital flows to the developing countries will be maintained, and that the basic principles of financial prudence, high standards and management efficiency will be continued...

The feature of the year's statistical record is that there has been another substantial expansion in financial and technical assistance. The World Bank Group as a whole approved lending and investment commitments totaling \$4,517 million, or \$962 million more than in fiscal 1973...

On the broader international scene,

But, in order to prevent any potential militancy on their part, Canada would prefer to convert them into joint producer-consumer associations that reconcile interests of both sides.

Historically, Canada's impact on world affairs was greatest in the context of shaping a new world order immediately after the Second World War. One might expect a similar enhancement of Canada's international role in conjunction with a series of multilateral negotiations that are under way or scheduled and that are intended to repair the badly-damaged international economic order. The multilateral framework in which this takes place corresponds to an almost intuitive Canadian diplomatic preference; moreover, it fits Canada's dual position on the resource dimension.

the most significant developments of the recent past have included the realignment and floating of exchange-rates; accelerated inflation, associated with rapid rises in the prices of most primary commodities and industrial exports; dramatic increases in petroleum prices; shortages of foodgrains and of fertilizer; and a slowing of the growth of gross national product (GNP) in industrialized countries.

The impact of these developments has been far-reaching. Barely a year ago, the prospects were that the developing countries, taken together, would be able to achieve an annual rate of growth of GNP in real terms somewhat higher than 6 per cent, in line with the target set for the Second Development Decade. The indications are that, in the aggregate, the target was in fact reached between 1968 and 1972. However, it is now expected that, although some petroleum- and mineral-exporting countries may exceed the target, GNP growth in many other developing countries will fall below 6 per cent per year over the rest of this decade. The rate of growth in the poorest countries, including the most populous, will be so low that *per capita* incomes will either stagnate or rise very little between now and 1980.

The anxiety over the prospects for the developing countries is increased by recent signs that economic growth in the industrialized nations is slowing down... Even a modest decline in the longer-term rate of growth of the industrialized nations could have a greater impact on the developing countries than the direct impact of the recent increases in commodity prices. (Extract from the 1974 annual report of the World Bank).

CSCE: symbol of the search for East-West co-operation

By Jeanne Kirk Laux

The Conference on Security and Co-operation in Europe has passed its first anniversary and is at last nearing agreement on the final texts that will bring the conference's Phase II to a close. The 35-nation conference, which brings Canada and the United States together with every European state (except Albania), has sought to find shared bases for co-operation on the major political, economic and cultural issues that divide East from West in Europe.

Yet there has been very little public awareness of the CSCE negotiations under way in Geneva. This is hardly surprising, since the issues are complex and bargaining often revolves round semantic nuances. In order to minimize propaganda-seeking, the meetings have been closed to the public, there are no official press conferences and no summary records of debates have been published. But, if the CSCE is not exactly headline material, it just may be making history.

What makes this multilateral negotiation so special? In the first place, it has enormous symbolic importance. In July 1973, for the first time since Winston Churchill saw an Iron Curtain descending across Europe, the foreign ministers of every European state from Lichtenstein to the Soviet Union convened in a single forum to open the CSCE. (For a review of CSCE Phase I, see David Karsgaard's article in *International Perspectives*, September-October 1973). While some regard the conference only as a historical milestone marking the distance travelled since the days of all-out Cold War, for others the CSCE will take on real significance as the starting-point for a new era of East-West *détente*.

In Geneva, historical analogies already abound in conversations with delegates as they try to foresee the impact the CSCE may have on future European relations. The economic experts, who tend to feel cut off from the main concerns of their ministries, cynically refer to the best-forgotten

peace conferences at The Hague at the turn of the century. Conservative diplomats worry that, by seeming to sanction the status quo in Eastern Europe, they are participating in a second Yalta. The majority of ambassadors heading delegations from the NATO countries seem convinced that the negotiations will have a positive impact. The CSCE, they suggest, is creating a new Concert of Europe.

It would be prudent to throw a few grains of SALT on the image of a new Concert of Europe. The CSCE is, after all, just one piece in a set of interlocking East-West negotiations that include the Soviet-American strategic arms limitation talks (SALT) and the multilateral force-reduction talks in Vienna. But, if *détente* is to mean more than arms control, and if it is to involve more than a few major powers, the importance of the CSCE is apparent. Only in Geneva have new issues, new states and a new quality of diplomacy been brought into East-West relations.

Key issues

What have been the key issues of debate at the CSCE Phase II? The negotiations were divided among three main committees, dealing with: security; economics, science and technology, and environment; humanitarian co-operation. Committee I debates have attempted to set out general principles of international relations and to devise confidence-building measures such

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as advance notification of military maneuvers. If principles like self-determination or non-intervention are standard UN fare, the delegates in Geneva are renegotiating them with full cognizance of sensitive European cases — Northern Ireland, Cyprus, the Germanies, and even Macedonia.

The second committee has been the least politically charged, since many of its issues are already being negotiated in the GATT (of which Poland, Hungary, Romania and Czechoslovakia are members) or in bilateral discussion. Most delegates to Committee II are simply trying to avoid compromising interests elsewhere or taking on unwanted obligations. Canada, for example, has little desire to agree solemnly to multiply bilateral accords with states from which there is not much high technology to gain.

Although Committee II was able to complete most of its texts even before the summer break, several issues it discussed were contentious. Western proposals on marketing or direct contacts between businessmen, for instance, constantly inserted an element of challenge to the socialist state-trading systems. If some socialist states (e.g. Hungary) are relatively liberal on these counts, it is hoped that the CSCE agreements will permit them to continue to be so by offering protection against more conservative elements — whether in Budapest or Moscow. The European Economic Community has been on the offensive in the trade sub-committee — clearing the way for post-conference negotiation of most-favoured-nation status (MFN) with the Comecon states by promoting the principle of “reciprocity” at CSCE. The Common Market does not regard tariff reductions by non-market economies as an adequate *quid pro quo* for MFN but now demands a real reciprocal advantage — such as a guaranteed volume of sales for EEC exporters.

Freer movement of ideas

It is in Committee III that new issues of high ideological sensitivity have been introduced into international negotiation. Never before has there been an international conference at which the question of freer movement of people and ideas across Communist state boundaries has been the central concern. Contrary to the original Soviet expectation that the CSCE would be a brief, symbolic encounter to give multilateral blessing to the status quo, Western delegates to the Helsinki preparatory talks succeeded in placing “Basket III” on the agenda. (Robert Reford has analyzed CSCE preparations in *International Perspectives*, January-February,

1973.) During Phase II, they have tried to eke out specific concessions — e.g., intermarriage, family reunification and access to the foreign press. As a result, bargaining has been arduous.

The effort to achieve a so-called “Basket III-Basket I trade-off” has provided the high drama of Phase II negotiations. In the opening months (September-December 1973), the U.S.S.R. sought to limit debate to a simple reconfirmation of the final recommendations of the Helsinki talks (the “Blue Book”). Instead, Western delegations elaborated each phrase of the “Blue Book” into proposals that became the basis for the most productive session from January 1974 to the Easter break in April. In Basket I, the U.S.S.R. argued for the principle of “immutability” of European frontiers — thus ending speculation about German reunification or Latvian self-determination. The West provisionally accepted registration of the correlative principle of “inviolability” so long as additional principles were reaffirmed to make it clear that peaceful change was not eliminated. In Basket III, the Western governments hoped, in turn, to persuade the Soviet Union to accept their proposals promoting human rights and the free flow of information. The trade-off did not materialize. After the Easter break, Basket I debates became deadlocked when the Soviet delegates refused to move further on any but the most minor semantic points.

Soviet intransigence raised the question of how far is far enough to push the Communist-bloc states — is liberalization a long-term process or a short-term rhetorical capitulation? It was this dilemma that preoccupied Western diplomats at the time of the critical June-July decision to prolong or disband the CSCE. Ironically, the Americans, who had not previously evinced much interest in the negotiations, played the catalyst role in the choice to reconvene the CSCE on September 2 for a last round.

Kissinger's view

American indifference to the CSCE shifted to impatience last summer when the conference stalemate risked interfering with Soviet-American bilateral *détente* at a sensitive moment for President Richard Nixon. During the NATO foreign minister's meeting in Ottawa, Henry Kissinger expressed profound scepticism about the “theological” debates in Geneva and only reluctantly bowed to European and Canadian insistence that there was “much work” remaining to be done. A few days later, at the July Moscow summit meeting, the U.S. suddenly discovered, in the

joint communiqué, that "substantial progress" had been made in Geneva on "significant issues". These new premises, however, led right back to the same conclusion — a concluding summit meeting "at the highest level" should take place "at an early date". Small wonder that Dr. Kissinger had to do some cajoling during his rapid tour of West European capitals in order to convince his allies that there had not been a sellout in Moscow. His success reflected the evolution in opinion among European diplomats. Although Phase II negotiations should be pursued until certain basic points in Basket III can be restored, the true test of Soviet intentions must come after the CSCE, in bilateral actions. Attempts to force the human rights issues at the CSCE would, it was now argued, boomerang — knocking out Leonid Brezhnev in favour of those Kremlin hardliners who gave only conditional support to his *détente* policies. (Franklyn Griffiths espoused this view in *International Perspectives*, September-October 1973.)

Although the final texts in Committee III are not likely to go as far as Canada might have hoped, the CSCE contribution to this humanitarian area is nonetheless significant. The discussion of sensitive issues of human rights in Europe, so long taboo to the Communist leaders, will henceforth be the norm, instead of the special exception, in bilateral East-West diplomacy.

East-West issues may dominate the negotiations, but the CSCE is by no means a strictly bloc-to-bloc affair. For the first time, neutral and nonaligned states which do not belong to either of the major military or economic groups are taking a direct part in *détente* decision-making. Diplomats from Sweden, Austria, Finland or Yugoslavia do not conceal their enthusiasm, and are among those most interested in seeing a "follow-up" to the conference. Two states arrived at the CSCE as newcomers to international political negotiations — East Germany (GDR) and Switzerland (which is only now considering joining the United Nations). Spain, long a pariah in European politics, has fielded an excellent delegation and made great gains in improving its image at Geneva.

The role of the non-allied states has been somewhat reduced since Helsinki. As bargaining got tougher during Phase II, most of their proposals (e.g. on disarmament and conflict resolution) were shunted aside. But, in Sub-committee 2 (confidence-building), a non-allied proposal is the basis for discussion. Western delegates feel that

the non-allied states have played an extremely useful role as mediators in Geneva — able to bring in a third alternative when bargaining deadlocked. Neutrals also chair the informal sessions, which parallel open meetings to speed consensus. As a result of Phase II, even those governments most cynical regarding follow-up (France and the United States) concede that it has become imperative to include the non-allied states in future East-West dialogues; the question is not whether but how.

Innovative style

Besides bringing new issues and new states into East-West relations, the CSCE has introduced an innovative style of diplomacy, both multilateral and consensual. Largely at Romanian insistence, procedural rules were adopted in Helsinki that maximized the opportunity for each state to have its say. The chairmanship of every sub-committee rotates daily among the 35, and no final wording can be accepted unless it has the concurrence of all participants. Reluctance by anyone means reworking the proposal and, as Malta demonstrated on the issue of including reference to the Mediterranean at Helsinki, a small state can indeed hold out against the superpowers.

The rules of procedure have not, on the whole, been abused at Geneva. Phase II has proved that it is possible to get consensus among states with utterly different political, legal and economic systems. The final CSCE texts, lacking juridical foundation, will carry political weight because they have been worked out on the basis of consensus with the full participation of 35 states. Despite occasional frustration and the slow pace of negotiations, more than 20 delegates interviewed in Geneva were firm in agreeing that there could be no alternative to consensus diplomacy.

Although East-West divisions are the *raison d'être* for the CSCE, there is also an important West-West component to the conference that has already brought side-benefits to participating states. Both the nine EEC governments and Canada are clearly beneficiaries of the protracted Phase II negotiating process.

The big surprise of the CSCE has been the constant and close co-ordination among the nine governments of the European Economic Community. Even at a time when the international press was speculating as to whether Britain would pull out of the EEC, when Denmark and Italy had contravened basic EEC tariff policy, the West European ambassadors in Geneva were positively self-congratulatory on their successful co-operation at the CSCE.

*Consensus
diplomacy seen as
only course for
Western delegates*

Harmony is imperative in the trade sub-committee debates since the Nine yielded competence to the EEC Commission last January. The Commission, taking part in a political conference for the first time, speaks for the Nine on commercial questions. Its representative sits on the delegation of the state chairing the EEC Council (chairmanship has rotated from Denmark to Germany to France during Phase II).

In all other sub-committees, the nine governments are purposely using the CSCE as a testing-ground for an integrated approach to foreign affairs. To do so, they have had to caucus incessantly — holding more than 15 meetings each week. Agreement has not been easy — especially on those questions, such as industrial co-operation, in which the Commission sees itself as “interested”, there has been hard fighting between states intent on restricting the area of Commission competence and those willing to enlarge it. If co-ordination at the CSCE had failed, the whole notion of West European political unity would have called in question — but it worked.

Canada's role

The reasons for Canada's initial participation in the CSCE have already been analyzed. (See Murray Goldblatt in *International Perspectives*, January-February 1973.) During Phase II, Canada has played its most active role in Committee III — both by promoting a maximalist posture for the West and by submitting detailed proposals on, for example, family reunification. Elsewhere, Canada has pressed to have its proposals for environmental law accepted in II and in IV; Canada is now one of the Western states most interested in seeing a follow-up to the CSCE — a political forum where human rights issues could be pushed further. But, as External Affairs Minister Mitchell Sharp pointed out, referring both to the CSCE and MBFR talks, “in addition to the central objective of progress in East-West *détente*, the parallel negotiations present opportunities for Canadian co-operation with the countries of Europe, and in particular with our partners in NATO”.

Indeed they do — not only do NATO heads of delegation meet weekly in Geneva to evaluate general progress but at the working level their delegates to each of the 12 sub-committees caucus before every session in order to harmonize positions. The NATO caucus is necessarily complicated by the prior co-ordination among those eight states that also belong to the EEC. The EEC members arrive at the

NATO caucus with a common position and seek to have it accepted as *the* Western negotiating position. The U.S. delegation which might be expected to be most sensitive to co-ordination among the EEC Nine has played a very minor part at the caucus as at the CSCE generally. Instead, Canada has taken on the most active role — reacting to the Nine's position and, if necessary, reopening discussion in order to reach a more acceptable all-NATO position.

Phase II of the Conference on Security and Co-operation in Europe was in summer recess for six weeks. The meetings resumed in Geneva on September 9

Because there are still Europeans who must be reminded that North America is not a monolith, Canada has made cle gains in national image-building during Phase II. Given its strong interest in Committee III, its role in the NATO caucus and the decision to join the ECE, senior West European diplomats have received the message that Canada has a definite interest in taking part in Europe's future and that Canadian external policy is distinct from that of the United States. Should the Liberal Government choose to recall its paternity of Option Three diversification of international relations as an effort to reduce present vulnerability, Canadian participation in the CSCE has contributed to making that option more viable.

In this review of the CSCE Phase II the final declarations, which are the ostensible objective of negotiations, have been underplayed. I have emphasized instead the introduction of new issues, new states and new procedures into *détente* diplomacy, as well as the benefits the multilateral negotiation process has brought to participants such as the EEC and Canada. In conclusion, the importance of the final texts should be recalled. They both summarize the basic principles of international relations in Europe and define specific areas for future co-operation acceptable to every European government. The CSCE texts are intended to serve as guidelines for future bilateral relations and to set new mandates for several international organizations (specifically ECE and UNESCO). The broader significance of the CSCE is, however, as Michael Palmer has said, “not so much what happens at it as an isolated event but the opportunity that it provides for a continuing multilateral dialogue dealing with a wide range of subjects and involving the countries of Eastern and Western Europe as well as those of North America”.

*CSCE gives
Canada
opportunity to
co-operate with
Europeans*

Weighing chances for progress in the field of arms control

By Robin Ranger

Arms-control agreements between the United States and U.S.S.R. have become increasingly important politically, as symbols of the state of superpower relations, and decreasingly important technically, in their effect on the development and deployment of new weapons systems. The significance of the arms-control agreements reached at the July 1974 Moscow summit meeting between President Richard Nixon and Leonid Brezhnev, Soviet Communist Party leader, was thus primarily political. Neither the agreement on a threshold underground test ban treaty nor the accord on further limitations of anti-ballistic-missile systems (ABM) would significantly inhibit the development of new strategic and tactical nuclear weapons. But these agreements did represent a political attempt to reaffirm the *détente* between the superpowers, which has come under increasing strain in the past year. Equally, the failure to achieve a follow-up to the 1972 Strategic Arms Limitation Talk Agreement (SALT I) was of greater political than technical significance.

The chances of a SALT II agreement imposing significant qualitative restraints on the strategic arms race had always been limited, but some SALT II agreement had been expected to confirm, in the strategic sphere, the trend towards positive superpower co-operation that had been inaugurated in 1972 with SALT I. This lack of progress towards SALT II after two years of negotiations meant that the talks on Mutual and Balanced Force Reductions (MBFR) had become the area of arms control where the superpowers' desire to symbolize their *détente* through nominal arms-control accords was most likely to find expression in the next year. An examination of the negotiations between NATO and the Warsaw Pact on MBFR suggested that such an agreement was possible provided that the NATO requirements for technically-effective arms control were dropped. That the chances for an MBFR agreement have to be assessed in

the light of the requirements of superpower politics, rather than of the requirements for technically-effective arms control, is confirmed by an analysis of the 1974 Moscow arms-control package.

The agreements reached at the Moscow summit meeting need only be compared with those needed for effective arms control to make it clear that the 1974 summit measures represented political, not technical, arms control. A comprehensive test-ban treaty (CTB) had long been urged by advocates of arms control, including the Canadian Government, as an important restraint on the development of new nuclear-weapons systems. The 1963 Partial Test-Ban Treaty (PTB) had forbidden testing in the atmosphere, in outer space and under water, leaving the signatories free to test nuclear weapons underground. The technology for such testing had been improved so much in the past decade that the superpowers were able to test all their new nuclear weapons systems.

Threat to nuclear balance

Of these, the most potentially threatening to the stability of the balance of nuclear deterrence were ABM, MIRV (Multiple

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Independently Targeted Re-entry Vehicles) and, more recently, miniaturized tactical nuclear weapons, known as "mini-nukes". The introduction of MIRV meant that whichever side fired first in strategic nuclear exchange could hope to wipe out most of its opponent's land-based intercontinental missiles (ICBMs) so that, for example, by 1975 the Russian ICBM force, equipped with MIRVs, could destroy 95 per cent of the U.S. land-based ICBM force in a first strike. Because neither the United States nor the U.S.S.R. could know whether its opponent's forces were "MIRVed" or not without on-site inspection of the opponent's warheads, and because a ban on flight-testing MIRVs would be extremely difficult to police with the necessary confidence (a problem that has so far defeated the SALT II negotiators), a CTB seemed one way of limiting MIRVs' effectiveness. If neither side could test its MIRV warheads, neither would have the confidence in their effectiveness needed to contemplate a first strike. Also, if ABM warheads could not be tested, the effect of an ABM system used against a MIRV attack would remain uncertain, forcing a potential attacker to assume that his MIRVs would work poorly and the defender's ABMs would work well, again discouraging a first strike.

At the tactical level, the development of "mini-nukes" had reopened the complex debate on the role of tactical nuclear weapons in NATO's strategy. This debate could be summarized by saying that the proponents of "mini-nukes" have argued persuasively that these weapons will provide NATO with a more credible defence strategy, but they are opposed by the arms-controllers, who argue that the potential cost of reducing the distinction between nuclear and conventional weapons would be too high for the gains involved. This was the reason given for the U.S. declaration of May 23, 1974, that Washington would not develop "mini-nukes", but it remained only a declaration, and one certain to be challenged within the U.S. strategic community. It would clearly be more credible if neither the U.S. nor the U.S.S.R. could test "mini-nukes".

The arms-control arguments for a full-fledged test-ban treaty to restrict the development of ABMs, MIRVs and "mini-nukes" were therefore strong and reinforced by improvements in the ability of the United States and U.S.S.R. to detect each other's nuclear tests with their own seismic detection systems. These systems were so different that there were considerable technical difficulties in comparing their detection capabilities, but there was a

consensus among the experts that they could probably detect tests as low as ten kilotons. With considerable expense and difficulty, tests of up to 50 kilotons could be muffled to produce seismic readings corresponding to an explosion of 10-20 kilotons. So, although a CTB would have left a little scope for some clandestine nuclear tests in the tactical warhead range, the risks of being caught cheating would probably have discouraged such violations.

Compromise on ban

The real obstacle to a CTB in both the United States and U.S.S.R. was the view of the military and of the scientists involved in developing nuclear weapons that a CTB would represent too great a sacrifice of national security. Hence the compromise idea of an underground test ban (UTB) that would allow nuclear testing up to a level at which both sides could unilaterally detect it, and so verify compliance with the UTB without the on-site inspections rejected by the U.S.S.R. But the level of the threshold chosen by the U.S. and U.S.S.R., 150 kilotons, was too high to restrict weapons development while the delay in the entering into force of their UTB until May 1976 would allow them to test weapons above this level before then. Even when the UTB is in force, the U.S. and U.S.S.R. would still be able to test most MIRV warheads and "mini-nukes". They would not be able to test ABM warheads, which were in the 1-megaton range, but had had virtually all the test data needed to deploy efficient ABM systems.

So the 1974 threshold UTB treaty signed in Moscow could not be considered as a technically-effective arms-control measure, especially as the high threshold in terms of seismic readings (4.5 to 4.7 on the Richter scale), would probably permit testing over 150 kilotons as the scientists in both countries maximized the yields of their permitted tests under the treaty, as happened with the 1963 partial test-ban treaty. That the threshold UTB was a political measure, accepted because no more substantive agreement could be reached, was emphasized by the diplomatic background. The idea of a threshold UTB as the best arms-control measure the superpowers could agree on emerged only during Dr. Henry Kissinger's May 1974 visit to Moscow, and only then after he and the Russians had tried, and failed, to secure a "conceptual breakthrough" on restraining the deployment of MIRVs in the stalled SALT II negotiations.

Similarly, the U.S.-U.S.S.R. agreement to limit their ABM systems to one

Debate on NATO's use of tactical nuclear weapons reopened

site each, instead of the two allowed in the 1972 SALT I pact, was an agreement that symbolized political *détente* without affecting the technical military capabilities of either side. The two-site ABM formula was a compromise allowing for the asymmetry in the development and deployment of ABM by the two sides. The U.S.S.R. had a less-advanced system, *Galosh*, deployed more fully for city defence round Moscow, while the United States had a more advanced system, *Sentinel*, scheduled for completion in 1975, that defended the *Minuteman* ICBM field at Grand Forks, Dakota. SALT I, therefore, gave the U.S.S.R. the option of deploying an additional ABM system to defend an ICBM field, like the United States, and gave Washington the option of defending its capital, like the U.S.S.R. The U.S. Senate would not allocate the funds for the defence of Washington, so the United States had, effectively, only one ABM site, while the U.S.S.R. seemed anxious to concentrate its ABM resources on upgrading the Moscow system, possibly against the Chinese. Thus the 1974 one-ABM-site-each agreement made political capital out of recognizing the technical status quo. Incidentally, it also did nothing to halt the intensive research and development both superpowers were putting into improved ABM systems.

No qualitative controls

This assessment of the 1974 Moscow agreements as political rather than technical arms control was supported by the superpowers' failure to reach a SALT II agreement, which would have imposed technically-effective qualitative controls on the strategic weapons of the U.S. and U.S.S.R., and by the failure of the quantitative limitations of SALT I to slow the strategic arms race. SALT I had been claimed by Dr. Kissinger and others to represent technical as well as political arms control, but this claim had become increasingly difficult to accept. Since 1972, the U.S.S.R. had successfully sought to reach the quantitative ceilings allocated to it in SALT I as quickly as possible, while eroding the qualitative advantages, notably those in MIRV technology, that had enabled the United States to accept quantitative inferiority in SALT I.

Contrary to popular opinion, the strategic arms race was still on, especially for the Russians, and still affected the relative political standing of the two superpowers. To balance the elements of conflict in Soviet-American relations, symbolized by this strategic arms race, the two superpowers had to conclude agreements stress-

ing their ability to co-operate, agreements such as SALT I and the 1974 summit measures. This stimulated their continued search for further symbols of *détente*, especially in the arms-control field, and gave increased importance to the MBFR talks, given the impasse in SALT II and the lack of any other areas in which arms-control agreements might be concluded in 1975.

MBFR negotiations

Following the preliminary talks (described by Professor Albert Legault in *International Perspectives*, September-October 1973), the MBFR negotiations started in Vienna on October 30, 1973. The Russians surprised the West by rapidly tabling an opening offer, which was followed by the U.S. presentation of an accepted NATO MBFR proposal. Since then, progress had been limited to clarification of the technicalities of the two proposals, suggesting that any agreement would be based on a compromise between the two initial offers. These offers reflected the differing approaches of the East and the West to arms control. The Russians, here as elsewhere, had sought an essentially political arms-control agreement whose technical effects, in this case on the NATO-Warsaw Pact military balance, would be minimal. The Soviet Union had, in effect, rejected the idea of MBFR in favour of Mutual Force Reductions (MFR), where small cuts of an equal percentage, or equal numbers of NATO and Warsaw Pact forces, would preserve the existing technical military balance favouring the Warsaw Pact. Politically, these cuts would symbolize Western acceptance of the territorial and ideological *status quo* in Eastern Europe. In contrast, the United States and its NATO partners, including Canada, were officially committed to seeking an MBFR agreement, a complex, highly-technical arms-control measure that would reduce the level and expense of the NATO/Warsaw Pact military confrontation, reduce the pact's advantage in a surprise attack on NATO, and produce increased stability and security for both sides. The political gains for Russia in MBFR would be similar to those of MFR.

Despite this difference between the approaches of the two superpowers to the question of force reductions in Europe, the American desire to reduce U.S. forces and military spending in Europe and to secure further arms-control agreements betokening *détente* meant that they were likely to conclude an essentially political accord, representing MFR rather than MBFR, with the Russians. This would

Alternative opening offers tabled by Russians and Americans

New European governments more favourable to a political accord

confirm the *status quo* in Eastern Europe and facilitate a cut in American forces in Western Europe while leaving the NATO-WPO military balance relatively unchanged. The recent changes in Western European governments had made them more favourable to such a measure, while a detailed comparison of the Russian and American proposals for, respectively, MFR and MBFR suggested that these could form the basis for an agreement representing political arms-control provided Washington dropped its existing requirement for MBFR. In the past, the United States had always dropped its insistence on technical arms control for the sake of political agreement with the U.S.S.R., so there seemed no reason why this might not be the case with MBFR.

Soviet approach

The Russians had always rejected the technical arms-control idea, embodied in the notion of MBFR, that the numerical and geographical advantages enjoyed by the Warsaw Pact should be offset by asymmetrical reductions, with the Pact forces making the larger cuts. Instead, the Russians insisted on the principle of equal reductions, leaving the security of both sides unchanged. The Russian principles for MFR were summarized by Mr. Brezhnev on October 26, 1973. These were: (1) that reductions should include both foreign and indigenous forces; (2) that both land and air forces should be included; (3) that force units with nuclear weapons should be reduced; (4) that the reductions should not disturb the existing relationship of forces in Central Europe and the European continent as a whole; and (5) that the reductions should be achieved either by equal percentage cuts or by equal numerical cuts.

The Soviet proposals for MFR of November 8, 1973, translated these five principles into four main points. First, both foreign and indigenous forces in all 11 states that were full participants in the negotiations would be included in a three-stage reduction. In Stage I, to be concluded in 1975, there would be an equal manpower reduction of 20,000 by each side; in Stage II, for 1976, there would be a 5 percent reduction on either side; and, in Stage III, for 1977, a further 10 percent reduction on both sides (Mr. Brezhnev's Point 5). Secondly, the Stage I reductions would include nuclear and air units as well as air and ground forces (Mr. Brezhnev's Points (2) and (3)). Thirdly, reductions would be achieved by symmetrical trade-offs in comparable units, the withdrawal of a particular type of Pact unit

(tank, infantry, artillery) being matched by the withdrawal of a NATO unit of similar size (Mr. Brezhnev's Point 4). Fourthly, foreign units withdrawn would take all their equipment with them, while indigenous units would be disbanded.

The Russians gave no figures for the existing level of forces from which reductions would take place and, in subsequent negotiations, concentrated on reiterating that the first phase of troop reduction must include all 11 direct participants in the talks and cover all except naval forces. This Soviet refusal to amplify or move from their initial position could be attributed to a lack of interest in MFR, but seemed more likely that the Russians were adopting tactics similar to those they had used in other arms-control negotiations. These involved an early tabling of Soviet proposals to ensure that subsequent negotiations covered those items of interest to them, while indicating serious Russian interest in reaching an agreement embodying their principles. Having taken the initiative, the Russians could then wait for the Western powers to negotiate among themselves, a process that usually involved negotiating down the initial Western proposals into a package more acceptable to the Russians. Additionally, Russian attitudes to MBFR had to be related to the 1974 Moscow summit meeting and the negotiations on the Conference on Security and Co-operation in Europe (CSCE), both of these had priority, for the first half of 1974, over the MBFR talks and modalities for securing Russian political objectives. But the relative lack of results at the summit and the CSCE could lead to a greater Russian interest in MBFR and an attempt to bridge the gap between the proposals and those of the United States.

NATO proposals

The initial NATO proposals on MBFR had been presented by the United States in November 1973. The endless debate between analysts on the figures for the existing military balance between NATO and the Warsaw Pact had been resolved by an essentially political decision within NATO that negotiations would be based on figures of 925,000 Warsaw Pact ground combat forces, as against 770,000 for NATO, and 15,500 main battle tanks for the Pact and 6,000 tanks for NATO. Of the NATO forces, 199,000 were U.S. ground units, of a total for U.S. forces in Europe including air and naval units, of 310,000 compared to the Russian ground forces on the Central Front of 470,000. The United States proposed a two-phase reduction. In Phase I, the United States would with-

draw 20,000 men from unspecified units while the Russians would withdraw 68,000 men, all from specified tank units. No allied forces on either side would be withdrawn. In Phase II, to be negotiated after Phase I had been agreed on, both sides would reduce to a common ceiling of 700,000 ground forces, including superpower and allied units. These final force levels indicated the difference between the relatively small-scale MFR envisaged by the Russians for political arms control, and the much larger MBFR proposed by the United States for technical arms control: 820,000 men for NATO and 1.15 million for the Pact in the Russian MFR proposals; 700,000 men for NATO and the Pact in the American MBFR proposals.

The four major differences between the U.S. and Soviet proposals revealed by negotiations were: first, NATO wanted cuts to start with the United States and U.S.S.R., while the Soviet Union wanted these to begin with national and foreign troops; secondly, NATO wanted these to be limited to ground forces, while Russia wished to include ground and air forces; thirdly, NATO proposed to include only conventional forces, while Russia wanted to include nuclear forces, the so-called Forward Based Systems for delivering nuclear weapons (FBS); and, fourthly, NATO adhered to the principle of asymmetrical reductions to produce MBFR while the U.S.S.R. continued to advocate equal reductions to produce MFR.

Despite these differences between the U.S. and Soviet positions, political compromises could bridge the considerable technical obstacles to agreement. For the sake of reaching agreement with the U.S.S.R., the United States would probably be prepared to drop the technical arms-control insistence that reductions be asymmetrical, with the WPO reducing by more than NATO, or else so modify this requirement for asymmetry as to make it meaningless. This would leave the United States proposing a reduction of 28,500 of its troops in Phase I, while the U.S.S.R.

was proposing a reduction of 20,000 men in NATO and WPO, two relatively compatible demands if the two sides could agree on which forces were to be reduced and whether these should belong only to the superpowers or not. The United States could easily agree to include some FBS in the cutback, since their symbolic value as part of the U.S. nuclear guarantee to Western Europe had been lessened by the U.S. care in keeping its NATO allies informed about the discussion of FBS in SALT II. In exchange for a thinning-out of FBS, the U.S.S.R. could accept a first-stage reduction largely confined to the superpowers, though possibly including token reductions by other NATO and WPO members.

The decisive factor in shaping any agreement would not be the complex factors involved in the various NATO models of MBFR but the political interests of the superpowers in MFR. NATO's success in evolving new diplomatic machinery to determine a common position among NATO's 15 members in Brussels on MBFR and translate these directives into day-to-day MBFR negotiating positions by the Group of Eight in Vienna had done much to lessen the divisive effect on NATO of Soviet proposals for Mutual Force Reductions.

But, ironically, this success in lessening the damage caused to the West by suggestions for MFR combined with domestic pressures for reduced defence spending — pressures reflected in the Netherlands' recent decision to trim its armed forces by 20,000 men — had made such force reductions politically tolerable to the West European nations. Since these reductions were also politically desirable to the superpowers, some agreement on Mutual Force Reductions might be expected. But, like all other arms-control agreements, such an accord would be concerned with the politics of superpower relationships rather than with technicalities of their military balance. Arms control, in Europe as elsewhere, has remained a matter of politics, not of technology.

There are still many in East and West who look back at the relative stability of the last quarter-century to conclude that two armed and guarded camps are the most essential element of safety. But I believe that realistic people looking ahead into the last quarter of this century know that some modification in this approach will be necessary.... While there may be a stability of sorts through mutual deterrence, there can be little prospect of peaceful change and development in a mutually-antagonistic political and intel-

lectual life. Some call for peaceful coexistence of systems and governments — and that is certainly part of what we are all looking for. But coexistence without an element of change — without the ability to adjust to our rapidly-developing world and its new challenges — will bring a rigidity and even a brittleness which cannot help but endanger both sides. (Speech by the Honourable Allan MacEachen to the Banff '74 International Conference on Slavic Studies, September 6, 1974).

Negotiating NATO Declaration: the difficult road to consensus

By C. J. Marshall

This article and the following one were prepared to discuss the evolution of NATO up to its twenty-fifth anniversary. They do not take into account the subsequent developments in the Mediterranean. Future issues will have articles dealing with Cyprus and its strategic implications.

On June 19 of this year, ministers from NATO's 15 member countries met in a converted Ottawa railroad station to approve a 14-paragraph document officially entitled the "Declaration of Atlantic Principles". Known less formally as the "Ottawa Declaration", it immediately became a milestone in NATO's unique 25-year experiment in the application of a collective approach to shared problems.

The story of how agreement on the text was achieved is an interesting one that will be studied by students of international affairs for some time to come. As late as ten weeks before the ministers met in Ottawa, their governments seemed hopelessly embroiled in an acrimonious debate on how they should conduct their collective relations in a world that had changed materially since the North Atlantic Treaty brought them together in 1949. Yet, through a combination of good sense, pragmatism and some fortuitous developments, the controversy was resolved. The resulting Ottawa Declaration demonstrated to a doubtful world that NATO continued to be regarded by its members as a suitable instrument for dealing with common problems.

Changing circumstances

The crisis that developed in intra-Alliance relations was the climax of a period of change in the circumstances confronting the allies. NATO was founded as a response to a commonly-perceived threat to

the security of its members and, in dealing with the problem, it had been almost too successful. Since 1949, not one of its members had lost a square foot of territory as a result of outside aggression and negotiation rather than confrontation had come to characterize East-West relations. In these circumstances, and in the light of new national preoccupations, the *raison d'être* of the Alliance and the relations of its members one to another came into question. Centrifugal forces, natural in a group of 15 independent states, began to manifest themselves.

One of the most understandable, and yet the most serious, of these forces was the evolving relationship within the Atlantic Community between the United States and the members of the European Common Market. With their unquestioned economic strength and developing sense of political identity, the Europeans found their natural love-hate relations with the United States intensifying. A strong U.S. military presence in Europe remained essential to their security, but the political and related costs were increasingly hard for the Europeans to bear.

Changes of a different kind were taking place in the United States. Emotionally drained by involvement in Vietnam and increasingly doubtful about the value of serving as the world's policeman, the Americans were questioning the appropriateness of their world-wide commitments. Thirty years after the Second World War it was not clear to the Americans why they should continue to station a quarter of a million men in Europe, particularly when they considered that the prosperous Europeans could bear a larger share of the burden of their own defence.

The Year of Europe

It was against this background that the U.S. Secretary of State, Dr. Kissinger made his now famous "Year-of-Europe" speech in April 1973, which set off 12 months of unprecedented internecine squabbling amongst the allies. Kissinger's

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motives seemed excellent. In the recent past the United States had extracted itself from Vietnam, ended its 20-year quarrel with the People's Republic of China and converted its relations with the U.S.S.R. from confrontation to negotiation. It appeared appropriate and timely, therefore, to seek to stem the erosion in transatlantic relations. Kissinger's solution was to call for a reinvigorated Atlantic partnership in which the shared approach to common security and related political problems would be applied to increasingly serious international economic and financial questions. This would be accomplished by broader and more "structured" consultations, and would be embodied in a proposed "Declaration of Atlantic Principles", to which the Japanese would be invited to subscribe.

European reaction was far from enthusiastic. The call for reinforced consultation was seen as an attempt to reassert U.S. dominance in transatlantic affairs, and the attempt to interrelate security, political and economic issues was regarded as unacceptable "globalization". The United States was suspected of trying to obtain a voice in the affairs of the European Economic Community (EEC) and of seeking to exchange security for concessions in other fields.

The result was that relations between the United States and the eight EEC members of NATO began to shift from mutual misunderstanding to something approaching open confrontation. And for the six remaining members of the Alliance – including Canada – there was a particular dilemma. The dialogue in NATO had customarily been among the 15 who were at least technically coequals. More and more, however, the debate was being conducted bilaterally between the United States and the Nine. For Canada and the rest, there was the dual problem of seeing partners quarreling and of not having an opportunity to contribute to the dialogue.

European response

After a period of uncertain contemplation, the European response to Kissinger's "Year-of-Europe" ideas was to propose that, if there were to be any declarations of principle, there should be not one but two. One, subscribed to by all 15 NATO members, would be limited to restating the Alliance's traditional security role. The other would define the relations for the period ahead between the United States and the Nine of the EEC.

The United States reluctantly accepted this counter-approach, and the late summer and early autumn of 1973 saw a

period of somewhat confused drafting on two fronts. While the representatives of the United States and the EEC met periodically to work on their project, a series of drafts for the NATO declaration succeeded one another on the table at NATO's Brussels headquarters. British and German drafts were followed by a Canadian text, which found a good deal of favour but was eventually superseded as the principle working draft by a French text. The latter was widely welcomed, not so much for its uniquely French approach to many of the issues involved as because it was the first time in several years that France had made a major contribution to an important NATO project.

From the outset, the drafting efforts experienced uncertainty as to how and when the two proposed documents would be used. The favoured "scenario" seemed to envisage two heads-of-government meetings in Brussels during a visit to Europe by President Nixon at which the leaders of the Atlantic Community would subscribe to the two declarations. Various uncertainties, however, including the President's own political future, made any serious planning impossible.

The Middle East crisis of October 1974 and its aftermath produced new problems. Differing attitudes and perspectives amongst the NATO allies and their failure to consult effectively made notions such as solidarity and cohesion seem academic. Obtaining agreement on a document designed to set the tone of U.S.-EEC co-operation seemed even more academic in the face of pronounced differences between the two parties on various aspects of the Middle East situation, including the resulting oil crisis.

The two drafting projects limped along in the early months of 1974. The inspiration or direction to bring them to a successful conclusion was missing but no one was prepared to admit failure. Some progress was actually made on the NATO document, but the Europeans had early taken the position that the promulgation of one without the other was unacceptable and the U.S.-EEC dialogue had run into apparently insurmountable difficulties, particularly on the issue of consultation. It had been Kissinger's idea that the proposed document on U.S.-EEC relations would provide for structured consultations on a wide range of subjects. The Europeans, however, rejected this as giving the United States a formal voice in their embryonic political consultation process, and were so suspicious of U.S. motives that they formally rejected the use of the expression "partnership".

French draft declaration seen as first major contribution in several years

The breaking-point came in March, just a month before NATO's twenty-fifth anniversary. In an effort to set an example of consultation amongst allies, Kissinger stopped off in Brussels *en route* to Washington from the Middle East to brief the NATO Council on recent developments there. At the very moment he was doing this, the foreign ministers of the EEC countries were deciding, at a separate meeting in Brussels, to propose formally an EEC-Arab dialogue. This was too much for Kissinger, who shortly after his return to Washington suggested that the discussion on the proposed U.S.-EEC declaration be postponed indefinitely. Without that document there could be no NATO declaration, and the disarray within the Atlantic Community seemed complete.

Turning-point

The crisis continued for several weeks, and then the obvious need to break the impasse began to manifest itself. With an early heads-of-government meeting now out of the question, it was necessary for the NATO foreign ministers to hold their regular spring meeting in one of the Alliance capitals. And, like it or not, they would have to take formal note of NATO's twenty-fifth anniversary. The circumstances would call for a public document indicating some degree of consensus on the future of the Alliance. Mid-June having been chosen as the date for the meeting, a "crash" effort to reach some measure of agreement had to be initiated without delay.

At this point pragmatism (and some good luck) came into play. The Europeans accepted the fact that, even if there was not to be a U.S.-EEC declaration, it was not in anyone's interest to let NATO's twenty-fifth birthday party become a public spectacle of self-imposed disarray. They agreed, therefore, that work on a possible NATO declaration should proceed independently. The Americans, for their part, acknowledged that their original proposal for what amounted to a revised North Atlantic Treaty was not generally acceptable and that they should be prepared to settle for something more modest. To this new atmosphere of realism was added a series of personality changes resulting from the French and German elections, and suddenly there seemed to be real prospects for a consensus.

All these developments acquired a special importance for Canada when the Government agreed to be host to the foreign ministers meeting. With so much at stake, the venue of the meeting took on particular political significance, and

Ottawa was unanimously favoured. It was seen as symbolizing the transatlantic character of the Alliance in a positive way, being North American but not part of the United States. As hosts, Canadians felt a special sense of responsibility for the meeting's success, which would depend in part on the atmosphere created and in part on the degree of consensus that could be achieved beforehand.

While failure to reach agreement on the proposed declaration was difficult to contemplate, success was by no means assured. One important difference to be settled was the scope of the document. The French had argued from the outset that it should deal only with common security problems, the original *raison d'être* for the Alliance. On the other hand, Canada, which had been the author of Article II of the North Atlantic Treaty, was a strong advocate of the alternative thesis. In the course of its 25-year history, NATO had evolved into an organization dealing with a range of shared problems — a fact that had to be acknowledged if the anniversary declaration was to have any public relevance for the 1970s. As in most other cases, this difference of approach was resolved by compromise. The final text emphasizes NATO's primary concern for security, but also recognizes the common concern of its members for *détente*, economic co-operation, and support of the principles of human rights and democracy.

Another problem was how to deal publicly with the advent of nuclear parity between the United States and the Soviet Union and the questions this raised regarding the continuing credibility of the U.S. nuclear deterrent so far as Europe was concerned. Here the key was to acknowledge that a different security situation now faced the Alliance in Europe but to express the conviction that the new circumstances could be successfully met through the collective approach that had served the Alliance so well in the past.

Perhaps the most difficult problem of all was to find an acceptable public description of the nature and extent of the consultative process, which all recognized as the key to making the Alliance work. Until the last minute, the United States was still looking for a formula suggesting that consultation was being broadened and reinforced to reflect an increase in the areas of common concern. The French, for their part, stuck to their limited notion that responsibility to consult really applied only to shared security problems. Other Alliance members, including Canada, felt that consultation should extend to all areas that members considered appropriate.

*Results achieved
when allies adopt
more pragmatic
approach*



CP Photo

On the steps of Ottawa's Parliament Buildings, Secretary-General Joseph Luns greeted the NATO foreign ministers on their arrival for the opening ceremonies of their two-day meeting in June.

at any given time, rather than be limited by rigid definition. Once again, through the give and take of protracted negotiations, consensus was reached.

The Ottawa Declaration

By the eve of the ministerial meeting, agreement had been achieved on all but one point in the draft declaration. This fact and several other developments contributed to the generally positive atmosphere prevailing as the ministers arrived in Ottawa. There had been widespread agreement that it was in the individual as well as collective interest to counteract the negative impressions of the past 12 months by a clear-cut demonstration of political unity. The more forthcoming attitudes adopted by the U.S. and French representatives in recent weeks had been welcomed since their respective governments had been the chief participants in the debate. On another level, the recent change of régime in Portugal, though not directly related to the question of Atlantic relations, added to the general optimism for the Alliance's future. Finally, the decision by Prime Minister Trudeau to invite the visiting ministers to a private dinner at his residence just before the formal meetings began also contributed to the creation

of the right atmosphere. Six or seven of the ministers were attending a NATO meeting for the first time and the dinner provided a valuable first opportunity for all the ministers to get to know one another.

The formal meetings had hardly begun when Dr. Kissinger and Mr. Sauvagnargues, the new French Foreign Minister, personally resolved the final outstanding point in the text, which was then formally approved and published the next day (June 19). Carried "live" on television across North America and by satellite to Europe, the adoption ceremony became the highlight of the Ottawa meeting and a widely-recognized symbol of the success achieved. At the request of the United States, the Declaration was subsequently remitted to Brussels, where it was signed on June 26 at a specially-convened meeting of NATO heads of government, including President Nixon.

The Ottawa Declaration is not a great piece of diplomatic prose. This was hardly to be expected in a text laboured over for six months. At one point just before the Ottawa meeting, it was suggested that the nearly-acceptable text should be given to someone for polishing. This idea was considered briefly, but it soon became clear that almost every line represented a hard-won compromise the drafting of which could not be altered without changing the shade of meaning achieved.

Similarly, the substance of the Declaration is neither dramatic nor innovative. It was established at an early stage that on the twenty-fifth anniversary the members of NATO were not willing or able to break new ground in their collective relations. What they were able to do, with some difficulty and after several false starts, was find a formula for re-enunciating, in up-to-date terms, the basic principles on which they had been able to co-operate with substantial success for a quarter of a century. In the process, they discovered that, while circumstances were changing, their basic objectives were sound and the techniques that had developed for dealing with common problems remained valid.

Among the principles reaffirmed were: the validity of the collective approach to defence, even in the changed circumstances; the need actively to pursue peace while preparing for defence against aggression; the inseparability of common security from political issues; and the importance of obtaining public support in member countries by demonstrating interest in issues of current public concern such as the status of the principles of democracy and human freedoms. Most important of

all, perhaps, was the acceptance of the blindingly obvious: consultation is the fuel that makes the Alliance machinery work, but consultation must be freely offered rather than legislated for. Practicing it on a day-to-day basis, in a pragmatic way, is much more conducive to good relations than philosophizing about it.

The Ottawa Declaration is, therefore, a modest document — modest in its scope and ambitions. It is nonetheless important, for it reveals a large measure of agreement amongst 15 free and independent countries. It was achieved against considerable odds, and demonstrates that the Allies are still able to accept the collective good as being more important than individual interests and to make the necessary compromises when a common objective is at stake.

Importance for Canada

For Canada, the Ottawa Declaration had special importance. The fact that agree-

ment was achieved made the anniversary meeting, to which Canada acted as host, a considerable effort and expense, an unquestioned success. In substance, the document, both in what it said and what it did not say, met the basic requirements of Canada's particular interests. In part because of Canadian effort, the multilateral nature of NATO is emphasized. The Alliance is portrayed as a continuing partnership between North America and Western Europe — not between the United States and eight of the EEC's nine member states. While there is clear emphasis on the importance of security, there is also unquestioned agreement that, after 25 years, the Allies have much in common beyond the purely military. It is clearly reaffirmed that the need for consultation extends beyond the narrow field of security, and there is a renewed determination to make the process work to the common benefit of all.

The Atlantic Alliance

After the Ottawa Declaration the structural problems remain

By Thomas Hockin

With the shocks dealt to the North Atlantic Treaty Organization by the Cyprus war and Greece's angry denunciations of the Atlantic Alliance dominating this summer's headlines, there is a danger that any assessment of the importance of the twenty-fifth anniversary meetings of the NATO Council will be discouraged. These meetings deserve attention before the onrush of events has put them out of perspective.

The declaration of principles agreed to by the NATO Council in Ottawa this June is less significant for what it contains than for what it symbolizes. The elaborate exercise of "rededication" of the Alliance for its second 25 years did not dissolve into hopeless disagreement as most observers would have predicted six months before. This alone is noteworthy. After two years

of noisy, sometimes bitter, disputes, seems miraculous that member states were able to pull themselves together sufficiently to say something of significance about the Alliance and its future. In the delegate lounge at the close of the Ottawa meeting one could sense the relief that the acrimonious quarrels that had sapped the Alliance for the past few years seemed to have ended.

The storms had subsided for reasons more fortuitous than structural. First, the acute oil and gas shortages that had disrupted Atlantic relations severely late in 1973 had disappeared by spring of the year. Second, the arrival of new governments in France, West Germany and Portugal — even Britain — helped to contribute to less dogmatism on all sides. New governments can indulge for a while in

some compromise and dialogue while they take the measure of their friends and foes at home and abroad.

Third, the doctrinal disputations in 1973 between U.S. Secretary of State Henry Kissinger and French Foreign Minister Michel Jobert had calmed even before the death of Georges Pompidou. This so-called "great debate" on American intentions in, and French attitudes about, Europe had proved to be non-productive. The debate had erected every suspicion into a foregone conclusion and brief divergent tendencies had been interpreted as new laws of state behaviour. The debate was marred by untenable exaggerations about American "imperialism" from the French and by equally untenable American exaggerations about what France wanted from Europe. By early 1974, it was clear to everyone that the debate, far from being a healthy airing of differences, was contributing to a needless deterioration of relations. In fact, Secretary of State Kissinger and Foreign Minister Jobert had begun to sing different tunes before the election of Giscard d'Estaing as President of France.

The fourth reason for the improved atmosphere was the occasion itself. The anniversary occasion forced all delegations to collect their thoughts on subjects they could agree on. The anniversary deadline quickened exchanges of draft communiqués and hastened the tempo of give and take.

Beyond generalities

All in all, the Declaration, if breaking little new ground, did go beyond trite generalities. It articulated for the late Seventies what NATO members could still agree to say about the Alliance. Included are the normal collective-security pledges: "An attack on one or more (of the members of the Alliance) shall be considered an attack against them all". Also included is the usual reiteration of the Alliance members' "dedication to the principles of democracy, respect for human rights, justice and social progress". (This now sounds less hollow, thanks to the more humane policy departures of the new Portuguese and Greek governments.) The essence of the security commitment is found in Paragraphs 4, 5 and 6. (The text of the Declaration was printed in the July/August issue of *International Perspectives*.)

Some observers, however, presumed to have found novel content in the Declaration. Writing in June 28 from Brussels, where the Ottawa Declaration was formally signed, the *New York Times* correspondent found a number of significant

allusions.

Paragraph 8 of the Declaration states that the "Allies, while reaffirming that a major aim of their policies is to seek agreements that will reduce the risk of war, also state that such agreements will not limit their freedom to use all forces at their disposal for the common defence in case of attack". The correspondent suggested that the "key word here" was "all", which "apparently answers the European suspicion that the Soviet-American agreement to seek to prevent nuclear war might mean the United States would hold back on its pledge to defend Western Europe with its whole nuclear arsenal".

Perhaps this paragraph is an attempt to answer the "European suspicion" but mere words cannot remove this most intractable of all European security fears. The fear will remain; it can be abated only momentarily by American professions of commitment. Ever since "flexible response" was instituted as American military strategy by President Kennedy, Western Europeans (most vocally the French) have feared that the United States would prefer to defend Western Europe from Western Europe than from North America.

Paragraph 9 of the Declaration explicitly stated that "all members of the Alliance agree that the continued presence of Canadian and substantial U.S. forces in Europe plays an irreplaceable role in the defence of North America as well as Europe". The same correspondent suggested that this amounted to an "important arguing point for Western Europeans who have often been asked what they were going to do in return for the favour of being defended by America". The Declaration also stated that "the substantial forces of the European Allies serve to defend Europe and North America as well".

That this emphasis is a refreshing change from the previous Nixon-Kissinger grumblings about Western Europe's failure to contribute more to the Alliance as a

Europeans need more than words to allay security fears

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CP Photo

The opening ceremonies of the NATO conference were held in the Senate's Red Chamber on Parliament Hill. Prime Minister Pierre Elliott Trudeau addressed the foreign ministers and invited guests

at the televised session. British Foreign Minister James Callaghan, as Honourary President of NATO, is seated on the Prime Minister's right.

whole there can be no doubt. It does not amount, however, to a new articulation of what North America and Western Europe are supposed to be doing for each other in the Alliance.

Problems remain

In short, the structural differences and problems of NATO have not been cleared up by the Ottawa Declaration — only calmed and soothed by a temporarily-improved political atmosphere. The structural problems of NATO are, at bottom,

military as well as political. A calmer political atmosphere may help to keep intrinsic political differences from festering but it cannot remove them. Only realignment of interests can do the latter. Military differences are not totally political in origin, either. Dutch, Danish, British, Canadian and American military contributions in Europe show no sign of increasing if anything, they are decreasing. These decreases are more a reflection of rising costs than of a weakened political commitment. The French continue to withhold their atomic force from Alliance military

planning. It appears the Greeks may withhold their forces as well.

Ten years ago Henry Kissinger wrote in his *Troubled Partnership* that the hope expressed in President Kennedy's grand design for a partnership between a united Europe and the United States had "been flawed by increasingly sharp disputes among the Allies".

He listed the sources of these disputes:

"...The absence of agreement on major policies is striking. On the Continent, the fear of a bilateral United States-British view with respect to disarmament is rejected by France and greeted with distrust and fear by the Federal Republic. The United States finds little support in Europe for its Asian or Latin American policies. The attempt to establish a common trade policy with the Communist world has been generally ineffective. For over a decade, the Western Allies have been unable to agree on a common attitude toward the former colonial areas. Progress toward European political unity has been slowed. Britain has been excluded from the Common Market. Basic issues of strategic doctrine have gone unresolved. The issue of nuclear control threatens to divide the Alliance."

Much on this list remains outstanding today. It is true that the colonial question has, in large measure, been solved. Although Britain's attitude under a Labour Government is at best lukewarm, at least it is no longer excluded from the Common Market. This, too, is an improvement on ten years ago. Agreement is absent, however, on most other issues on the Kissinger list.

Nor have the basic structural confusions in the Canadian view of NATO been clarified as a result of the Declaration. In April 1969, in Calgary, Prime Minister Trudeau courageously, and to my mind very effectively, articulated the need for a long-overdue de-emphasizing of NATO in Canadian foreign and defence policy. However, on April 9, 1974 (almost five years later to the hour and a few months before the Ottawa NATO Council meeting), Mr. Trudeau introduced a host of curious new notions about Canada's role in NATO in a remarkable discussion on Radio Canada (French-language television). The discussion was also remarkable in that it amounted to one of his very few sustained discussions of NATO since the Calgary speech and it elicited very little comment in English-speaking Canada.

He assessed Canada's annual contribution to NATO at about \$400 million, but suggested that Canada would have to

spend most of that sum whether it was in or out of NATO:

"Dans ce chiffre-là sont compris les dispositions que nous prenons pour mettre notre marine au service de l'OTAN en cas de besoin, pour maintenir en état d'alerte au Canada des unités qui seraient au service de l'OTAN en cas de besoin et également, évidemment, pour maintenir en Europe effectivement la présence Canadienne physique qui s'y trouve. Si elle n'était pas là-bas, elle serait ici et nous devions payer de toute façon."

This way of articulating the situation is doubly inaccurate. First, it encourages the Europeans to conclude that we are sacrificing nothing of consequence by contributing to the Alliance — hence our commitment deserves to be suspect. Secondly, it encourages Canadians to think that the shape and content of our equipment and forces would be relatively unaltered whether we were in NATO or not. In fact, both assessments are inaccurate.

Mr. Trudeau also confused the essence of NATO by describing it as little more than a sub-set of disarmament negotiations and of Atlantic relations. NATO, he suggested, was:

"un forum où nous pouvons véritablement influencer les négociations sur la détente, où nous pouvons orienter les discussions sur la coopération et la sécurité en Europe, où nous pouvons participer aux discussions sur la réduction des armements, etc. C'est un forum où nous pouvons consulter nos alliés, ceux qui ont des intérêts à peu près semblables aux nôtres plutôt que de consulter uniquement les Américains et d'être dans une alliance bilatérale."

Mr. Trudeau also described NATO as a collective security alliance for all comers, for all seasons. To assure our defence alone, he said, was hopeless. To build defenses "contre les États-Unis, contre les Soviétiques, contre les Européens, contre les Asiatiques" we must do so "par des moyens de défense collective".

This articulation so utterly confuses the internal and external relations of NATO in international politics as to leave NATO either meaningless or our most important foreign-policy arena. Clearly it is neither.

In short, much remains inconclusive about NATO as an alliance and about Canada's role in particular. The Ottawa declarations served to give evidence that the bitter disputes within the Alliance in the past had temporarily abated. Whether the abatement will be more long lasting remains to be seen. The structural tensions remain.

*Prime Minister's
assessment of
NATO effect on
Canada's defences
challenged*

Coping with the larger issues involved in monetary reform

By Grant L. Reuber

Barely had the celebrations marking the twenty-fifth anniversary of the Bretton Woods Agreements been concluded when many of the props supporting the international monetary system established by those agreements were kicked away unilaterally by the United States in August 1971. Responsibility for the failure to cope with the serious inadequacies that had been evident for some years was many-sided. Since then the world has been functioning largely under *ad hoc* arrangements rather than under an accepted set of principles embodying an accepted code of conduct. Intensive discussions have been under way to try to devise a new system on which there is broad international agreement — discussions that, to date at least, give the impression of having a considerable distance to go.

These developments and the major obstacles impeding progress have been lucidly described in Yves Fortin's excellent review (*International Perspectives*, May-June 1974). Since his article was written, two significant changes occurred simultaneously in June. First, the International Monetary Fund's Committee of Twenty wound up its activities with agreement on a package of interim steps. In doing so, the Committee recognized that its original goal of renegotiating a fully-reformed system in two years was unrealistic; it acknowledged that a full restructuring of the system was likely to

be a protracted evolutionary process. The package of interim measures agreed on included, *inter alia*: a new system for valuing special drawing rights (SDRs) in terms of the weighted average of a basket of 16 currencies (rather than gold as in the past); a set of guidelines for exchange-market intervention, which emphasize the promotion of orderly markets and the avoidance of unfair manipulation to take advantage of other countries' voluntary pledges of good economic behaviour, including avoidance of restrictive trade measures unless approved by the IMF; new arrangements for continuation of the study of monetary questions; and the establishment of a new IMF credit facility to help countries hard pressed by soaring oil prices. The questions related to gold were left in abeyance, as was the proposal to establish a link between the allocation of SDRs and development assistance.

The second development was a private agreement among the finance ministers of the ten major trading nations to permit gold to be used as collateral for international borrowing. This in effect revalues gold from its official price of \$42.22 an ounce to something more closely approximating its market price, currently about \$144 an ounce. At the same time the United States announced that it planned to drop its ban on the private ownership of gold by U.S. citizens before the end of the year. Commenting on the agreement to permit gold to be used as collateral, U.S. Secretary of the Treasury William Simon, according to press reports, stated: "The finance ministers are making useful progress toward the twin objectives of agreeing to procedural steps to phase gold out of a central role in the monetary system and at the same time permit it to be mobilized when needed by countries in balance-of-payments difficulties" (which is rather like saying that progress has been made in a search for virgin mothers and reflects the basic dilemma where gold is concerned).



Dr. Reuber, professor in the Department of Economics at the University of Western Ontario since 1962 and Dean of Social Science since 1969, has written widely on such questions as foreign investment in Canada and problems of international monetary reform. He examined "The Riddle of International Monetary Reform" in an Atlantic Council of Canada publication last year. Professor Reuber is currently chairman of the Ontario Economic Council. The views expressed in this commentary are those of Dr. Reuber.

As I have elaborated elsewhere, a viable international monetary system must meet three primary objectives (*The Riddle of International Monetary Reform*, Toronto, The Atlantic Council of Canada, 1973): First, it has to provide a satisfactory means of settling international payments among private transactors and among countries. The second objective is to develop a system that allows countries individually to pursue their domestic objectives as fully as possible while at the same time ensuring that the interplay of national policies does not result in undesirable consequences for the system as a whole. The third objective is to provide a mechanism, within the framework of the system and its general objectives, for relatively easy balance-of-payments adjustment among countries as their circumstances gradually change relative to each other. How much progress has been made toward meeting these objectives more satisfactorily since the traumatic events of August 1971 and the adoption of a managed floating-rate system?

International money needed

Meeting the first objective more satisfactorily requires the development of an internationally-controlled asset that serves effectively as international money. When there are more than one asset that perform this function, difficulties arise because of the possibility of substituting one asset for another, particularly on the part of the monetary authorities. Such shifts, which place additional strains on the system, reflect changes in relative demands for such assets, both as a store of value and as a medium of exchange, and in their supply. Moreover, it is not regarded as satisfactory to have control over much of the world's supply of international money — at present, gold and dollars — vested in the hands of private producers and holders of gold and the U.S. monetary authorities. A much greater measure of effective international control over the supply of international money is sought. In the absence of legal sanctions (comparable to those found within countries), any attempt to replace gold, dollars and other existing monetary assets with an internationally-controlled monetary asset depends on the creation of an alternative that all countries will prefer to hold and accept in payment.

Little, if any, progress has been made towards this end. Some gains may have been achieved by the redefinition of SDRs, by changes in the rules governing the use of SDRs and by the payment of a more realistic, though still below-market, rate

of interest on SDRs. But these gains have probably been more than offset by four other developments:

- i) the implicit revaluation of the official gold stock in order to provide additional credit to several countries in balance-of-payments difficulty;
- ii) the prospect that private ownership of gold will soon become legal within the United States;
- iii) the strength, current and prospective, of the U.S. dollar compared with most of the other 15 currencies included in the "basket" on which the value of SDRs is based;
- iv) the continuing possibility of a link between development assistance and SDR allocations.

As matters stand, SDRs are a long way from replacing gold and dollars as the mainstay of international money.

Nor has much progress been made in advancing the second objective — to establish an international framework that avoids or severely limits the systemic effects of unco-ordinated national policies. Indeed, some would argue that the adoption of floating exchange-rates has significantly impaired this objective. The systemic effects of unco-ordinated national policies may bias the system as a whole towards unemployment or towards a worldwide inflation of prices or towards impediments to trade and investment that impair the gains to be reaped by all from the free international flow of goods, services and capital. The basic aim is to attain collectively the goals of full employment, reasonable price stability and an open economy conducive to the most efficient use of resources, thereby providing an international environment in which national goals may be more readily achieved. The primary goal is not simply to provide orderly arrangements whereby the world may veer away from these collective objectives more smoothly and with fewer constraints.

Stabilization policy

A central issue in this context is international stabilization policy and, in particular, international management of the total supply of money in the world. Under a fixed exchange-rate system, deficit countries, at least, are subject to some measure of international discipline by virtue of the need to balance their international payments. This by no means ensures, however, that such countries will pursue satisfactory domestic stabilization policies; under pressure, they may easily resort to other devices, such as trade and investment controls, which are normally

less efficient means of adjustment than exchange-rate adjustments. Moreover, the pressure on surplus countries to adjust, piling up reserves, is not symmetrical with that on deficit countries, losing reserves. In addition, at an international level, major difficulties arise in deciding on appropriate changes in the supply of international money, in developing a smooth and efficient system of implementing changes in this supply, and in avoiding or compensating for any loss of control arising either because of increased financial intermediation resulting in secondary rounds of money creation or because of the use of alternative assets to settle international balances.

Under a floating rate system, less emphasis is placed upon defining and controlling the supply of international money and more emphasis upon allowing the price at which national currencies exchange for each other to be determined by market forces. Although this reduces some of the difficulties associated with a fixed rate, it raises other problems. For example, the greater flexibility afforded for short-run policy adjustment may allow greater scope not only for more appropriate but also for less-appropriate domestic stabilization policies. Moreover, a floating rate system may well reinforce the already dominant position of certain key currencies (such as the dollar) that provide a more secure basis for contracts than other currencies.

Further, such a system leaves open the whole question of appropriate rules of conduct for countries to follow in order to avoid undesirable consequences for the international community as a whole. It has been argued, for instance, that the greater exchange-rate freedom accepted since 1972 has resulted in significantly greater price inflation for the system as a whole. Faced with downward rigidity in wages and prices, countries are likely to find it easier politically to adjust their international payments positions by exchange-rate depreciation, which in turn generates internal inflationary pressures, than by deflation. Surplus countries, on the other hand, may be more likely to adopt expansionary domestic policies in lieu of exchange-rate appreciation. This situation may result in a strong inflationary bias for the system as a whole, particularly in the absence of an effective mechanism for regulating the total supply of money for all countries combined. Thus, the problem of asymmetry remains, though with rather different implications.

Although little or no progress has been made toward meeting more fully the first

two objectives already noted, substantial progress has been made towards achieving the third — namely, creation of an effective mechanism for balance-of-payment adjustment. By a singular stroke of good fortune, this was accomplished before the energy crisis and the recent dramatic increases in raw material prices that create serious strains on the balance of payment of many countries. Without the exchange rate flexibility introduced in 1972, the strains would have been much more severe. As a consequence, a series of crises might well have occurred that could easily have given rise to a variety of protectionist restrictions on trade, investment and payments, as well as a general disruption of international relations extending well beyond the economic and financial fields.

While greater exchange-rate flexibility has been achieved, the danger remains that government intervention in exchange markets may go beyond the ironing-out of day-to-day fluctuations and the facilitating adjustment to the deliberate manipulation of exchange-rates for nationalist purposes. Under a free rate system, one important index of the extent to which markets are rigged is whether the levels of monetary reserves on average remain unchanged. Any tendency by one country to beggar its neighbours by rigging the exchange-rate might easily set off a mutually-damaging series of reactions by national authorities, each seeking to defend itself against the actions of others. Thus accepted international ground-rules are needed, not only in the larger context of guiding national stabilization policies (i.e. in order to move closer to the second objective referred to earlier) but also to guide the conduct of national authorities in the more limited context of exchange market intervention for adjustment purposes. Acceptance by all industrial countries of a satisfactory set of guidelines governing exchange-market intervention would represent a further significant step forward in the progress already made in achieving a better mechanism for balance-of-payments adjustment.

Such a set of guidelines was proposed by the Committee of Twenty. The Executive Directors of the IMF agreed that "Fund members should use their best endeavours to observe the guidelines" adding that consultation with members would be based upon the guidelines and that the guidelines would be reviewed from time to time. While the guidelines themselves are cast in fairly general terms and the response of the Executive Director has been very cautious, some progress seems to have been made in establishing

Floating rate helps some problems, creates others

safeguards against competitive exchange alterations.

To sum up, one may say that such progress as has been made in reforming the international monetary system has been confined largely to developing a more satisfactory mechanism of adjustment. Little progress has been made in coping with the larger issues of (i) dethroning gold and the dollar in favour of an internationally-controlled monetary asset and (ii) establishing a framework that will

provide further security against systemic biases towards unemployment, price inflation and autarchy. Progress in these areas, as well as consolidation of the advances made in developing a better mechanism of adjustment, will not, in my view, be determined primarily by technical innovation and expertise — important though these will be — but by political currents and the calibre of political leadership found in the major industrial countries over the next few years.

Consequences of the oil squeeze for the less-developed nations

By Edith Penrose

In a little more than three months at the end of 1973, the market price of oil increased nearly threefold from something under \$3.00 a barrel to over \$8.00, which can be contrasted with a price of only about \$1.30 a barrel at the beginning of 1970. (The figures cited are intended to represent a rough average estimate. It is not possible at present to give any firm figure for the market price of crude oil, or even the average cost to companies lifting it.).

This rapid and substantial increase in 1973 imposed heavy additional costs on the oil-importing countries. These costs are of three kinds: first, a deterioration in the terms of trade because of a rise in the import cost of oil, a situation that creates problems for the balance of international payments of many countries; secondly, an increase in the cost of energy "inputs" for industry, agriculture and transportation and in the cost of oil as raw material for industry, especially for the petrochemical industry, which includes fertilizer production. In addition to these direct costs of higher oil prices are the costs that countries must incur in making appropriate adjustments in their domestic economies in response to the change in relative prices and in their international financial relations in response to the change in the volume and distribution of international payments.

Public attention has, by and large, been focused on the problems of dealing with the merging deficits on current account in the payment balances of individual countries, on the one hand, and on the impact of the changed financial flows on the international monetary system, on the other. The very large increases in the financial revenues of the oil-exporting countries give rise to corresponding liabilities for the importing countries. The liabilities are distributed among the latter in proportion to their oil-import bills, but the exporting countries are in a position to exchange for goods and services only a small proportion of their financial claims. The provision of goods and services in exchange is the real cost of oil for the import-

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ing countries. This cost to the collective balance of payments of the importing countries *as a group* is therefore increased only to the extent that the oil-exporting countries import goods and services at a faster rate than would have occurred in the absence of the increase in their revenues. The terms of trade of importing countries deteriorate only to the extent that the price of oil rises faster than the prices of goods they export.

Balance-of-payments problem

But the position of individual importing countries is very different from that of the importing countries taken as a group. There is no reason to think that the surplus international credits of the exporting countries (oil revenues not spent by the recipients on imports) will be held or invested in each of the importing countries in proportion to its imports of oil. On the contrary, many less-developed importing countries offer few opportunities for profitable investment. Countries with rudimentary financial institutions, no capital markets, weak currencies, unstable political regimes and uncertain economic policies are not, by and large, places in which other countries choose to hold financial assets, though the latter do, at times, see opportunities for limited investments.

Such countries will, therefore, have to pay for their oil imports in hard currencies and will receive little if any inflow from the oil-exporters on capital account to balance the outflow on current account required to pay for oil. Finance for their deficits will have to come from some other source, or they will have to reduce their imports of other types of goods and services, if they are to obtain the oil necessary to sustain their current levels of economic activity, let alone to permit further industrial growth. Clearly, many, if not most, of the less-developed countries of the world will find themselves in this position.

At the same time, however, prices of other primary products have also risen and, for some less-developed countries, a rise in their own export receipts will go some way toward offsetting the higher cost of oil imports. As examples, one can mention Zaire, Zambia, Ghana, Morocco, Peru, the Philippines, Thailand, Nicaragua and Burma, all of which are likely to be in this category. Of course, had oil prices not risen so much, such countries could have used their improved trade positions to further their own development plans, since there is little connection between the rise in oil prices and those of their own exports. A few of the higher-income countries — notably Taiwan, South Korea, Singapore

and Brazil — have also successfully developed a considerable export market in industrial products the prices of which along with those of manufactures generally in world trade, tend to reflect the increase in manufacturing costs resulting from increases in raw material prices among other things. These gains help to offset the impact of higher oil prices on the balance of payments.

Countries in the above categories are among the fortunate, and precisely because they are better off they also have easier access to international financial markets and can more easily than others obtain export credits and other types of commercial loan. At the other extreme, there are countries in the Third World that have not only been denied fortuitous gains from trade but have, in addition, suffered heavily from natural disasters. I need only mention the drought-stricken countries of Africa — Mali, Chad, Niger, Upper Volta and Ethiopia. In between are countries in a wide variety of circumstances: a number of minor oil-exporters have gained and some non-exporters produce a large proportion of their own oil requirements. For some countries, oil imports are a very small proportion of total imports and oil does not play a large role in their economic life; but, for others, oil imports are large and will have to be reduced in the absence of aid or other forms of concessionary arrangements. In addition, the prices of many other raw materials have also increased and, while this helps some countries, it bears heavily on others, for it must not be forgotten that the less-developed countries, and particularly those that are on their way to substantial industrialization, are themselves importers of a variety of raw materials. Some of the more heavily populated countries are also substantial importers of foodstuffs, and the prices of grains, edible oils and some other foods have also risen steeply. Hence many countries have been doubly and triply hurt in recent years by increases in prices, not only of oil and oil-based manufactures, particularly fertilizers, but also of other raw materials and food. India, Bangladesh and Sri Lanka are perhaps the worst sufferers from this combination of circumstances. In view of the size of their populations, the first two account for a large part of the total financial problem facing the third world.

'Recycling' of revenues

Perhaps enough has been said to indicate the difficulty of generalizing about the impact on the less-developed world of increases in the price of oil. But it is clear

LDCs need sources of funds to finance deficits

that some countries are likely to be in very serious trouble, and will need outside help to finance even the minimum essential level of oil imports to prevent extreme economic distress. The oil-exporting countries can, and probably will, be of some help in this respect, either by giving grants and soft loans or, in some cases, by supplying oil on concessionary terms. The aid programs of the industrialized countries will undoubtedly be reviewed in order to take account of the new needs arising. But most of the problem of paying for oil imports will probably have to be met through the "re-cycling" to the less-developed importing countries of some of the unspent oil revenues that the oil-exporting countries hold in the developed countries.

Since it will be a very long time before the oil-exporting countries will be able to spend anywhere near all of the international credits accruing to them on oil account, payment in real terms by the importing countries as a group may not be required in full before the end of the century, if then. Assistance to the balance of payments of the poor countries of the kind envisaged can, therefore, be spread over an equally long period.

Higher energy costs

No matter how much assistance is given to countries to help them pay for the oil they import, all of them must in a fairly short period adjust their economies to higher energy costs. It is not yet clear where the price of oil will settle in the near future, but it does seem likely that prices will remain higher than they were during the 1960s. Adjustments on the scale required will almost certainly slow down the rate of development in most countries and must impose additional costs on all of them. It is, therefore, desirable that international assistance be offered to ease the transition and aid the process of adjustment, but it would be unfortunate if such assistance were used to enable developing countries to keep the price of oil products on the domestic market below international levels for any considerable time. Domestic product prices (and, consequentially, those of other competing sources of energy as well) must be allowed to rise to reflect the fact that the economy needs to pay more for its imports. If international prices remain very high, the increase in domestic prices must be substantial, though the speed at which they rise, and therefore at which economic adjustments must occur, can be cushioned with the help of external finance. The change in relative prices will affect different industries differently but, in any case, it will raise production costs in

industry, agriculture and transportation. In consequence, there will be a strong incentive to reduce the use of oil.

For many countries, including the less-developed ones, it will be possible to reduce to some extent the use of oil per unit of output by appropriate measures in a fairly short period without serious consequences. Much waste, unnecessarily lavish use and some luxury consumption can be eliminated. In transportation, in particular, the private passenger-car and the motor transport of goods can often be reduced in favour of public transport with a lower energy input per person or per unit of goods transported. Some shifts of this type may be induced fairly quickly, but most of them will have to take place over the longer run, together with a reappraisal of the types of manufacturing industry encouraged. In this respect, the automobile industry may create some of the greatest problems, especially when, as in India, an extensive automobile assembly industry has absorbed a great deal of investment. A cutback in the use of automobiles, which would seem appropriate, could give rise to severe commercial losses and unemployment.

The types of alternative and strategy that should be examined in the less-developed countries are not substantially different from those that are already being examined in the more-developed countries, and I shall not discuss them further here. The essential point is that any measures to help in dealing with the short-run, or "emergency", situation, should be such as to facilitate and not to retard the appropriate longer-run changes in the economy and in economic plans. At the same time, it is desirable, in the very short period, that no country be forced to reduce its imports of oil so rapidly as to cause severe industrial dislocation. So long as internal prices are allowed to rise with world prices, the required adjustments will be induced in those sectors of the economy responsive to market prices, and pressures will be maintained on the public sector, which may be less responsive, to make similar adjustments.

Slower rate of development

Special assistance on account of the increased price of oil will not of itself give rise to an increase in output and income out of which loans may be repaid. Indeed, countries with few export trade gains in other directions to offset the higher costs of oil will probably have to accept a slower rate of development than in the past and, in many cases, even an absolute reduction in their standards of living and levels of

Transportation policies can help reduce oil-consumption

domestic output — especially if the higher cost of fertilizers and other raw materials reinforces the effect of high energy costs on domestic output in agriculture and industry. Extensive changes in economic plans and development strategies will have to be made in a very short period, and activities already under way will have to be stopped or slowed down. Projects left unfinished and productive plans abandoned while new ones are being worked out involve economic costs that will often be heavy. If, at the same time, the international economy slips into a depression, the prospects for many developing countries, and especially those whose populations are still growing rapidly, will be gloomy indeed.

It is, therefore, very important that assistance take the form of outright grants wherever possible. The setback to economic development and the costs of adjusting their economies to higher energy prices, the higher import burden and the deterioration of the terms of trade will all make it difficult for the poor countries to generate the increased transfer of resources to the rest of the world that will be necessary to repay any kind of loan, no matter how soft its terms.

Burden to remain

It takes great optimism to believe that India, Bangladesh and similarly hard-pressed developing countries are likely to be in a much better position within the next 10 or 15 years than they are today to generate the surpluses required to pay back such loans. Even though the cost may be spread over a considerable time, it will remain a burden with no productive counterpart. Unfortunately, grants from traditional aid-givers are unlikely to be offered

in quantities adequate to permit a reasonably painless transition from lost-cost to high-cost energy, and one hopes that the oil-exporting countries, to whom, in the end, the transfers of resources must go, will increase their assistance and broaden its geographical scope in view of the surplus that they will have. A few special price arrangements have already been made and in many ways an extension of these would be the most satisfactory solution in the short period.

There are a number of objections, however, to a generalized "two-tier" price system, and any concessionary terms that are arranged for the oil imported by less developed countries will almost certainly be on an *ad hoc* basis and depend on the good will of the individual exporting countries. In any case, as suggested above, even a regime of special prices, useful as it would be as a means of mitigating the balance-of-payments problem, would be appropriate only for a reasonably closely defined transition period, since the less developed countries, like others, will have eventually to adjust their economies to the world price of oil.

General balance-of-payments support is to be distinguished sharply from a subsidy to the price of oil and, from the point of view of the importance of inducing appropriate economic adjustments to a higher price of oil in the foreseeable future, a special price system has grave disadvantages unless it is clearly adopted only as an interim measure to ease the transition. In the absence of a substantial fall in oil prices or of the development of new, widely available, and cheaper sources of energy, a greater part of the total output of an importing country will for a considerable time have to be transferred to the export

... Most developing countries, and particularly the poorer and least developed, export few if any of these high-cost commodities and so cannot thus offset the sudden quadrupling of oil prices. The possibilities seem to be to:

- draw down their foreign-exchange reserves;
- increase the inflow of aid and other net foreign borrowing;
- reduce imports; or
- expand their exports generally.

In the short run, given the magnitude of the problem, most LDCs will probably try to do all these things. However, the drawing-down of foreign-exchange reserves, where these exist, is essentially a short-run solution. A larger net inflow of soft funds

(grants or loans, including debt relief) would answer the problem in part, and it may be easier to obtain than anticipated as a result of financial reflows from oil producers to OECD member countries. Obtaining the required larger volume of funds for LDCs on commercial terms from the oil-rich countries or elsewhere, however, will post many difficult questions apart from that of how LDCs could service their growing debt. Finally, reducing imports significantly would slow the economic growth of LDCs to unacceptable levels although some countries (notably India, Sri Lanka and Bangladesh) may nonetheless be forced to do this. (A. Davison Redding in *The OECD Observer*, June 1974).

*Assistance needed
in form of
outright grants*

Global oil crisis: the benefits of the confrontation process

By Jacques Henry

Oil is without doubt the most important single commodity in international trade. Prior to 1974, in fact, oil and petroleum products accounted for over 50 per cent of world trade in tonnage and about 10 per cent in value. Approximately 50 per cent of the world's oil production flows into international marketing channels, and over two-thirds of that production originates in the less-developed countries (LDCs), where oil is often the most valuable export commodity. In 1970, for example, oil exports accounted for 99.6 per cent of Libya's total exports. Corresponding figures for other countries were: Iraq, 93.7 per cent; Venezuela, 90.2 per cent; Iran, 88.7 per cent; Nigeria, 57.4 per cent; and Indonesia, 34.8 per cent. One readily surmises that these percentages have risen following the recent increase in oil prices.

In addition to supplying over 75 per cent of the world's present energy requirements, oil is also one of the most important raw materials on which modern industry depends for the production, among other commodities, of plastics, fertilizers, artificial fibres and synthetic rubber. Moreover, oil has for many years played an important role in strategic military terms. This aspect is especially significant at present, since many of the principal producing countries are located in a militarily active and potentially explosive area. All of which emphasizes, of course, the fact that the oil problem is basically political in its origin and development, though its effects are felt first of all at the economic level – and this at a time when the world economy is showing unmistakable signs of weariness.

Judging by the frequency with which sales were made at prices lower than those quoted, there existed for several years after 1960 a world surplus of crude. In the opinion of many, this was an artificial situation resulting from the shrewd manipulation of market conditions by world oil monopolists in order to clamp a low ceiling on prices. Considering, however, that the production-reserves ratio is roughly the same today as in 1960, the present situation (no less artificial than the former) is basically the same, except

that it is designed to maintain high price-levels. Under the circumstances, one may well ask whether the strategy of producing countries will not have to be more than slightly modified in the medium term.

The confrontation issue

The current oil "crisis" has to be viewed as an attempt at economic confrontation organized by the less-developed nations, which, should it spread, will doubtless appear as the most significant event of the last third of the twentieth century in the field of international economic relations. Things are happening much as if the acquisition of economic independence logically followed upon that of political autonomy after a delay of one or two decades, both being necessary to any genuine development.

The distinguishing characteristic of this new confrontation is, above all, its joint and orchestrated approach. The countries confronting one another are, in fact, grouped by specific and common interests (e.g. as producers of oil, copper, bauxite, etc.). To those who regard this development as a kind of unionization of the developing countries, the group-formation principle is similar to that followed during the Thirties by the American Federation of Labor, rather than that followed by the Congress of Industrial Organizations. It goes without saying that these groupings will require us to redefine our traditional theoretical structures, as well as the customary statistical classifica-

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tions. We shall have to distinguish, for example, between developing countries *with or without* economic power (or, according to the slightly biased expression used by Henry Kissinger at the United Nations, developing countries with or without syndication potential). In this new climate of confrontation, raw-materials producers will no longer be the powerless and handicapped participants we have heretofore known. With regard to oil production, which are the confronting countries? Basic data on the majority of the member countries of the Organization of Petroleum Exporting Countries (OPEC) are set out in Table 1. As will be seen, these countries differ extremely in population and *per capita* gross national product (GNP); the only things they have in common are their state of underdevelopment and a temporary surplus of strong currencies.

The new confrontation also brings out the fact that the international economic system really rests on a network of mutually-interdependent relationships, which the LDCs, although possibly aware of this, have not always dared to exploit. As a result, part of the dependence about which they have ceaselessly complained was unilateral only because it was more or less voluntarily accepted. Economic power, of course, will benefit its holder only if he is ready to use it effectively for the promotion of his own interests, and the exercise of such power can be wisely approached only on a group basis. Evidently, the oil-exporting countries are not interested in selling their future potential at a discount.

Table 1
Basic data concerning the
major oil-exporting countries

Country	Population	<i>Per capita</i> GNP	Annual growth as percentage of	
	1971 (millions)	1971 (\$ U.S.)	Population (1965-71)	<i>Per capita</i> GNP (1965-71)
Abu Dhabi	0.08	1,920	3.9	37.3
Algeria	14.4	360	3.2	4.8
Saudi Arabia	7.5	540	1.7	7.4
Indonesia	119.2	80	2.0	3.4
Iran	29.8	450	3.0	7.7
Iraq	9.8	370	3.2	1.4
Kuwait	0.8	3,860	9.8	2.1
Libya	2.0	1,450	3.7	8.1
Nigeria	56.5	140	2.5	2.7
Qatar	0.13	2,370	9.6	5.8
Venezuela	10.6	1,060	3.4	1.4

Source: *World Bank Atlas*, 1973. The figures on Abu Dhabi relate to the year 1969 and are taken from Zuhayr Mikdashy's *The Community of Oil Exporting Countries*, Allen & Unwin, London, 1972, P. 195.

On the other hand, they have to avoid hastening, through price manipulation, the development of new technologies that will place them at a disadvantage. The system of mutual interdependence in the world oil market is shown in Table 2. The major exporting areas are the Middle East, North Africa and the Caribbean, while the chief importers are the Western European countries, Japan and the United States. The United States depends principally on the Caribbean, Western Europe depends on North Africa and Japan relies mainly on the Middle East. In external trade, of course, dependence (which is synonymous with the neo-classic euphemism "integration") implies vulnerability, and the buyer's vulnerability is always greater than the seller's in the short and medium term.

Market expansion

Viewed more broadly, this system of mutual interdependence in the oil market has evolved considerably during the past two decades. World exports of oil show an average annual increase of 9 per cent since 1945; between 1955 and 1970, they tripled in value. By contrast, world exports of primary products from 1955 to 1970 only doubled in value, while the export value of manufactured goods increased more than fivefold. Between 1960 and 1970, oil exports from the LDCs almost tripled in value, whereas those from the industrialized nations exactly doubled. As a percentage of total exports, oil exports from the LDCs rose from 24.3 to 30.8 per cent between 1960 and 1970, while the corresponding figure for the industrialized countries declined from 5.2 to 3.9 per cent. The dependence of the latter countries on the former as a source of supply has therefore, substantially grown during the past decade, paralleled by the growing dependence of the LDCs on oil exports as a source of currency.

Much attention has been devoted in the past to the gradual polarization of international trade among the industrialized countries themselves. Trade relations among the LDCs, however, as shown in Table 3, are more and more retarded. Since the chief oil-producers are the LDCs, a secondary consequence of the oil crisis (and of similar "crises" in the future) will be to conceal this trend toward the concentration of trade in value terms within the "club of rich countries"; meanwhile, the rise in oil prices will in no way change the basic factors that explain the trend toward the marginalization of the LDCs in the system of international exchanges.

However, even if the oil crisis were but the first sign of a new and developing pro-

cess of confrontation, there would be no cause for alarm about the future of international economic relations. Indeed, should the LDCs actually become aware of the real advantages they possess, however small, and try to make the most of them with the direct help of the state, exactly as the industrialized countries have always done thanks to the "indirect" assistance of their "comparative" advantages and multinational firms, they will already have solved part of the dependency problem that bedevils them. Thus, contrary to the view that holds that the process of internationalization and the growth of multinational firms will help to reduce the freedom of action and independence of the young nation states that produce raw materials, it could well be that the growth of these companies will act as a stimulant in extending the power and multiplying the joint interventions of states determined to educate these international giants.

It is only logical that the confrontation process initiated by the LDCs should become generalized if it is going to benefit them. As a matter of fact, this type of confrontation, whether it involves oil or any other commodity taken separately, cannot last indefinitely. The LDC strategy should, therefore, consist in sniping away at the industrialized countries and shifting their fire from one commodity to the other. Table 4 provides data relating to

the value of the principal exports of the LDCs, while the forecast in Table 5 on anticipated price changes for these exports will explain why the confrontation on oil is likely to prove contagious.

The chief danger we shall have to face, should the LDC confrontation become widespread, stems from the fact that the world economy, contrary to the belief held by the proponents of neo-classical theories, was never designed to facilitate economic relations between equal partners, and that it may be seriously unsettled by any reduction of the power imbalances that characterize international relations at present. Naturally, the course of such an evolution could hardly be smooth, especially since there exists no international institution specifically designed to resolve trade conflicts between equal partners (the GATT being a forum for unequal partners). There is, however, some consolation afforded by the thought that, on the one hand, the adaptive ability of the industrialized countries is at least as great as that of the LDCs and, on the other, that the degree of adaptation required of the former is neither greater nor more significant than that the LDCs have had to display consistently in the past, and still have to display. The only new factor in the current confrontation is the fact that the rise in the price of oil has hit many industrialized countries hard.

Table 2
World trade in oil, 1970
(millions of tons)

Destination											
Origin	U.S.A.	Canada	Others (W. hemisphere)	Western Europe	Africa	Southeast Asia	Japan	Australia	Others (E. hemisphere)	Unknown destination	Total exports
U.S.A.	—	1.25	1.25	3.25	—	3.5	3.5	—	0.25	—	13.0
Canada	34.25	—	—	—	—	—	—	—	—	1.25	35.5
Caribbean	106.0	25.25	11.25	26.5	1.0	1.0	1.25	—	—	—	172.25
Others (Western hemisphere)	0.25	—	1.75	—	—	—	—	—	—	—	2.0
Western Europe	10.5	0.25	1.5	—	4.0	—	0.25	—	0.25	14.25	31.0
Middle East	8.75	7.5	12.0	309.0	20.75	39.75	173.0	17.25	21.25	22.25	631.5
North Africa	3.75	—	2.75	220.5	0.25	—	2.0	0.25	2.25	—	231.75
West Africa	2.5	1.75	7.75	44.25	—	—	0.5	—	—	—	56.75
Southeast Asia	3.5	—	0.5	0.5	—	—	30.0	4.75	0.25	—	39.5
Russia and Eastern Europe	0.25	—	4.75	39.5	1.5	—	0.75	—	0.5	—	47.25
Others (Eastern hemisphere)	0.25	—	—	—	0.25	2.0	—	—	—	—	2.5
Total imports	170.0	36.0	43.5	643.5	27.75	46.25	211.25	22.25	24.75	37.75	1263.0

Source: Zubayr Mikdashi, *The Community of Oil Exporting Countries*, Allen & Unwin, London, 1972, P 19.

Impact on the LDCs

In a purely book-keeping sense, the world balance of payments is always stable, the deficits in certain countries being offset by surpluses in others — provided, of course, that the products being traded are not destroyed in transit and that world reserves remain constant (should the reserves increase, total surpluses might exceed the amount of the deficits). This poses no great problem as long as the countries with surpluses agree to play the part of creditors and those with deficits succeed in financing their shortfalls, and as long as both groups follow economic policies in keeping with their respective roles as responsible creditors and debtors.

It is somewhat artificial to try to determine in isolation the impact of the oil-price rise on the balance of payments of the LDCs either jointly or separately, since the prices of other imported products (such as wheat, fertilizers, etc.) have also gone up substantially, though without the same attendant publicity. We should, therefore, inquire into the price variations of all commodities included in international trade and consider the entire group of countries benefiting from an unusual rise in world prices. In any case, it would be well to look into the transnational political sympathies of those who are attempting to restrict the debate solely to the oil "crisis".

Several international institutions, among others the World Bank and the International Monetary Fund, have given thought to the special mediator's role they

will be called upon to play between the developed and undeveloped countries: a result of the rapid advance of certain prices, and some measures have already been taken to facilitate such mediation.

What remains to be done now is to persuade the countries benefiting from the present or any future "crisis" to devote a part of the gains thus acquired — some will say "ill-gotten" — to enlarging bilateral aid in the form of donations or long-term and interest-free loans to the LDCs that fall victim to these very crises, rather than consider that they have met their global obligations by the mere fact of agreeing to deposit their surplus liquid assets with some international agency. In other words, these countries must not limit themselves to enjoying their new role as international bankers while wasting their surplus cash on military equipment.

In the case of the oil-producing countries, such aid would necessarily be untied, unless, of course, it takes the specific form of "oil transfers" (the GATT rules permitting). This formula would offer a unique opportunity to lessen the degree of direct relation between bilateral aid and development without creating balance-of-payments problems for the countries increasing their aid. On the contrary, since this aid would ultimately serve to finance purchases in the most competitive industrialized countries, it would contribute, at the same time, to solving the balance-of-payments difficulties some of these countries are now facing. Moreover, aid granted in that form would be far more effective than current bilateral aid, much of which is tied both as to the source and the nature of the goods procurable. Presumably, these "new" donors could jointly organize the distribution of their aid (e.g. on a regional basis) and provide the beneficiaries with technical assistance aimed at helping them to identify the "best" source of supply.

As regards other countries that stand to gain from the rapid rise of certain prices (e.g., producers of grain, fertilizer, etc.), they too would be expected to devote a part of their "accidental" gains to extending their bilateral aid. On the other hand, it would not be desirable for them to terminate their financial aid (especially technical assistance) to the oil-exporting countries, unless the latter were systematically to refuse to assume their new function of providing aid to the least developed countries. Even Nigeria, whose yearly *per capita* income is only \$150, should agree to give neighbouring countries (e.g. Niger) a measure of aid made possible by the present "crisis".

Table 3
Index of the course of total
exports in terms of value (1963 = 100)

Destination Origin	Highly industrialized countries	Developing countries
Highly industrialized countries		
1965	125.1	117.1
1967	145.8	129.2
1969	194.2	160.7
1970	225.4	182.0
1971	250.2	205.7
Developing countries		
1965	114.7	114.2
1967	129.0	121.3
1969	159.2	154.2
1970	177.0	167.3
1971	196.5	185.7

Source: World Bank, *Trends in Developing Countries*, 1973, Table 515.

The proposal advanced above would contribute to enlarging the volume of development aid, to reducing the average coefficient of tied bilateral aid and to concentrating aid more and more for the benefit of the most deprived, in accordance with the sharing principle put forward by the philosopher John Rawls in his treatise *A Theory of Justice* (Harvard University Press, 1971). The optimism previously referred to, in sharp contrast to the concern that several famous neo-classical economists have voiced in the press, is simply based on the fact that confrontations providing the opportunity to lessen existing inequalities are desirable and should not be discouraged, especially by countries that, like Canada, clearly benefit by such "crises". Indeed, as regards oil (as well as several other commodities on which the forthcoming rounds of talks will probably bear), Canada should, being a net exporter, benefit in every way from the price increases arranged by other countries, even without being directly involved in such confrontations. More important, these confrontations shed a new light on the dependence of the United States on Canada as an inexpensive supplier, and should increase Canada's negotiating power with the U.S.

The oil income of the principal exporting countries may be expected to reach \$100 billion in 1974 (\$23 billion in 1973). This fact immediately underlines the importance of the additional transfer agreed to by the consumer countries (Western Europe, Japan and the United States) identified in Table 2. This figure seems particularly significant when compared with the estimated value of world exports (around \$400 billion in 1973). Supposing that the oil-exporting countries use \$30 billion to increase their own imports originating largely in the industrialized countries, that they devote \$55 billion to acquiring financial and real assets in the industrialized countries and grant \$5-billion worth of low-interest loans to the non-oil-producing LDCs, this leaves an amount of \$10 billion for donations or interest-free loans under bilateral aid programs, which would more than double the present total of official aid to development. This is a unique opportunity for using at least a portion of the profits accruing to less-developed countries in such a way as to reduce world inequalities along lines not wholly dictated by the trade interests of the industrialized nations.

Table 4
Principal products exported by
the developing countries
(billions of \$U.S.)

Year	Oil	Copper	Coffee	Sugar	Cotton	Rubber	Total
1950	2.50	0.39	1.69	0.90	1.20	1.54	8.22
1955	4.45	0.92	2.22	1.01	1.36	1.57	11.53
1960	6.32	1.04	1.85	1.22	1.09	1.71	13.23
1965	9.52	1.39	2.17	1.45	1.34	1.23	17.10
1970	16.65	2.87	2.81	2.03	1.56	1.46	27.38

Source: World Bank, *Trends in Developing Countries*, 1973, Table 5.6.

Table 5
Price forecasts concerning the
principal products exported by the
developing countries
(1967-69 = 100)

Year	Oil	Copper	Coffee	Sugar	Cotton	Rubber
1972	146	83	125	317	127	82
1973	208	140	155	413	177	164
Jan. 1974	665	159	174	647	300	252
1974	665	155	175	783	267	191
1975	665	138	163	522	250	159
1980	923	172	175	522	217	205

Source: World Bank.

Focus on international law

By L. C. Green

During the last 30 or 40 years, international lawyers have become increasingly conscious of the fact that much of the criticism levelled at their system has been based on the pontifical pronouncements of commentators and writers. The public at large has been aware that, in reality, what states do in practice is often completely at odds with what the international lawyers say is legal. This has led more and more commentators to look to actual state practice and to formulate their views *a posteriori* rather than *a priori*. To some extent, states and individual scholars have been helping them in this task by producing monographs devoted solely to the activities of this or that country, to digests based on state practice and documents, and the like. The journals, too, have gradually come to the realization that perhaps as important as the papers that they contain are the supplements devoted, as in the *Canadian Yearbook of International Law*, to national practice, both state and judicial.

Although there is no "official" Canadian digest of international law, and the collection of treaties may not be as up to date as one might like, the Department of External Affairs has been making a modest contribution by way of its annual review, the bimonthly magazine *International Perspectives* and the issuance of occasional speeches and documents. So far as scholarly work is concerned, there have not been many monographs devoted to Canada

and international law, though articles have been somewhat more frequent, especially since the *Yearbook* began publication. Readers who want to discover Canada's attitude or participation in international legal life had, of course, the casebook edited by MacKenzie and Laing in 1938 under the title *Canada and the Law of Nations* or Castel's *International Law Chiefly as Interpreted and Applied in Canada*, 1965, and, on a more specialized level, LaForest's *Extradition To and From Canada*, 1961. There was, however, no up-to-date comprehensive survey. Now the gap has been closed with the publication by the University of Toronto Press of *Canadian Perspectives on International Law and Organization*. This volume consists of 38 papers devoted to various aspects of the Canadian role in international law. The breadth of the survey may be ascertained by looking at the rubrics under which the papers are classified.

The first section, entitled "Perspectives", starts off with a paper by Maxwell Cohen, former Dean of McGill University Faculty of Law, looking at the problem from the "inside", while the late Wolfgang Friedmann contemplates us from "outside" posing as his first problem "Is there a need for Canada?", a question he answers by stating: "Virtually the entire world would regard the disappearance of Canada, as we now know it, as a major international tragedy. And it can be said with some confidence that such reaction would be shared by the Western world, the Communist world and the 'Third World'; it can also be said that few states in the world would share this distinction" (P. 33). Two other related papers in this section are by Professors Gerald Morris and André Dufour, the former entitled "Canadian Federalism and International Law" and the latter "Fédéralisme canadien et droit international". Both writers are convinced of the need for closer and more intimate co-operation between the centre and the provinces, without necessarily "l'unité de compétences" (Pp. 68, 84). The section

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closes with contributions by Professor R. St. J. Macdonald on the relation between international and domestic law, and by Professor M. R. Lederman on the private international law system, including its relations to public international law.

Doctrine of recognition

The second section is concerned with practices. Recognition is examined by Professor Emilio Binavince, who concludes that "Canadian practice . . . indicates that recognition is considered a political act which should be decided after an assessment of a number of factors . . . Canada, however, attempts to establish an appearance of legality in reaching its decision, . . . but in interpreting the so-called legal conditions of recognition, Canada takes them not as rigid rules containing objective standards from which a duty to recognize can be founded but as guidelines in which approval looms larger than anyone in the Department of External Affairs is willing to concede" (P. 181).

This is followed by three papers that represent Canadian practice as seen from the inside. Messrs. Edward G. Lee, currently Director-General of the External Affairs Department's Bureau of Legal Affairs, and Michael Vechsler of the Department's Legal Advisory Division deal with sovereign, diplomatic and consular communities and suggest (P. 194) that there is a need for legislation at least where sovereign immunity is concerned; Maurice D. Copithorne, now Counsellor at the Peking Embassy, writes of state responsibility and international claims, bringing to it the perspective of one who spent three years dealing with such claims in the Department; and Allan Gotlieb, formerly Legal Adviser to the Department and now Deputy Minister of Manpower and Immigration, looks at the processes of treaty-making and provides a number of useful tables that show the increasing participation of Canada in formal arrangements and the very large role played by the United States when compared with the rest of the world (Pp. 230-5). The final paper on Canadian state practice is the reviewer's analysis of the position concerning extradition, immigration and asylum, in which he concludes that the practice conforms with the requirements of international law while apparently reflecting a willingness to be more liberal than most other countries might (Pp. 296-7).

Reflecting new trends in international law are the three papers in the section on air, communications and weather law by Gerald Fitzgerald and Professors Charles Dalfen and J. W. Samuels respectively.

This section is followed by a group of papers on territorial considerations, some of which are likely to be affected substantially if the Caracas Law of the Sea Conference produces any positive results. This is perhaps brought home most clearly by the comment of L. H. T. Legault of the Department in concluding his survey of Canada's maritime claims: "There are limits to what can or should be done by unilateral action; beyond the necessary accommodation between various national interests there are overriding international interests that must be secured; and to the old concept of freedom of the seas there must be allied concepts of rational, responsible management not only of marine resources but of the marine environment as a whole. It is now more than ever essential that a new order be developed for the seas and oceans of the world before chaos, anarchy, and conflict take over Britannia's old job of ruling the waves. In the end, it is only in international agreement that an abiding solution can be found for the problems underlying the maritime claims of Canada and other countries" (P. 394).

Maritime problems

The nature of some of the Canadian interests in this area is clear from the papers on fisheries, the seabed and international maritime law at large (Professors John Yogis, George Alexandrowicz and A. T. Stone respectively). More specifically, special problems for Canada are discussed, by Professors Donat Pharand on Arctic waters, C. B. Bourne on international drainage basins and Frederick Jordan on the International Joint Commission — the last suggests that, "if the body is to perform its role in planning the co-operative or co-ordinated development and conservation of international frontier resources most effectively, it must enjoy a substantial degree of detachment from the national position of its masters" (P. 541), and he does not see this as always being the case. Dr. Charles Bedard looks at *Le régime juridique des Grands Lacs* and Professor Joshua Langer concludes the section with a piece on international leases, licences and servitudes.

Perhaps reflecting the current trends in international life, the longest section of the book deals with Canadian participation in international organization. It is here that we find the sole references to Canada and the law of war and armed conflict, with a paper by Colonel T. P. Wolfe, the Deputy Judge Advocate-General, on Canada's role at the 1971 conference on humanitarian law called by the International Committee of the Red Cross. He

calls upon Canada to do its utmost to ensure the abandonment in documents in this field of "ambiguous compromising language that merely gives the illusion of progress and lends itself to glowing press releases at the conference end" (P. 642). Most of Canada's military activities since 1945 have been in the area of United Nations operations, and in the last paper written before his untimely death Colwyn Williams dealt with Canada's peacekeeping role.

It is sometimes said that if disarmament were a reality states might be able to dispense with large parts of their defence forces. How idealistic such a view is may be seen in George Ignatieff's account of Canadian aims and perspectives in the negotiations seeking international agreement on arms control and disarmament, in which he draws attention to the difficulties "in an age where nationalism and self-determination are increasingly dominant in the motivation of governments and peoples, and the harmonization of actions of states through the United Nations is still in such a rudimentary stage of development" (P. 724). Mention of self-determination turns one's attention to Professor John P. Humphrey's account of Canada's role in working for the promotion of human rights. He comments on the paucity of documentation on this area of life in official documents, although he points out that "according to *Foreign Policy for Canadians*, 'Canada's future approach to human rights at the United Nations should be both positive and vigorous'. That is the declared policy of the present Government. It will take something more than words to make it credible." And he calls for a "continuing presence and interest" in the bodies affected and not merely a "taking of position" (Pp. 617-8).

Environmental law

Other papers in this concluding section deal with environmental law (Professor Douglas Johnston); economic nationalism (Professor Ivan Feltham and William Rauenbusch); competition policy (Mr. Justice D. H. W. Henry); intellectual property (Bruce McDonald), with particular reference to copyright; the regulation of commerce and customs (Professor Ivan Bernier); the Canadian stance on international trade arbitration (Professor John Brierley) — "at whatever level, and in whatever locality, Canadian business interests are involved in this process of solving disputes, this is not such a *practice* of arbitration that has, as yet, had any influence on the *law* of arbitration in Canada" (P. 838); international civil pro-

cedure (Professor J.G. Castel); by Professor Louis Sabourin, director of the University of Ottawa's Institute of International Co-operation—*Normes juridiques canadiennes en matière de développement international*; and by Eric Wang of the Canadian Permanent Mission to the United Nations on sovereignty and Canada-U.S. co-operation in North American defence. He points out that there is a constant need for consultation and that "consultation does not involve any surrender of the right to dissent. . . . One of the most effective safeguards of the Canadian interest may be, paradoxically, the enlightened long term U.S. interest. . . . There is a fundamental need for U.S. policy-makers to continue to recognize, as they have in the past, that the American interest lies in ensuring that the defence relationship, like other aspects of the continental relationship, is based on a true consensus flowing from a perceived mutual interest and a mutual respect for inevitable divergencies" (P. 881).

Assessment of Canadian approach

The final paper, by the three editors, constitutes an assessment of Canadian approaches to international law, looking at the problem primarily from the point of view of historical growth as shown by teaching developments in the universities, the establishment of a Legal Division in the Department of External Affairs and an assessment of the role of individual ministers: "It seems fair to suggest that Mitchell Sharp has found himself burdened to an unusual extent, with foreign policies conceived elsewhere in the Government apparatus and imposed whether or not the career experts in External Affairs concurred. The role of the present Prime Minister may give some cause for concern. Although we cannot ascertain what he thinks of public international law, we are doubtful of his essential commitment to legal solutions as a primary frame of reference." The Prime Minister appears frequently, the editors continue, "more interested in 'cost benefit' analyses than in law" (P. 944), and in examining the national philosophy and style. They feel that such defects as there are and such proposals as may be necessary to remedy them should be the subject of a comprehensive examination, perhaps sponsored by the Canada Council and undertaken by a senior academic, "into the deficiencies of international law in Canadian universities" (P. 954).

Perhaps, however, one should conclude this review of a major contributor to the exposition and analysis of Cana-

Canadian perspectives on international law and organization on a more hopeful note. Ambassador Alan Beesley, former Head of the department's Legal Division, writes, in "The Sixties to the Seventies: The Perspective of the Legal Adviser": "Over the past decade, Canada has been extremely active, indeed activist, on a wide range of issues of international law. The policies pursued have been goal-oriented and directed toward the attainment of Canadian objectives. Where particular issues have engaged the Canadian national interest, the objectives have reflected this interest; in other cases the objectives appear to be almost wholly internationalist. In many cases the perception of the national interest clearly takes into account the interdependence of states. Positions adopted are not always those of other 'Western' or 'developed' states and have often been distinctive to the point that on some questions Canada has parted company with its friends. There is an emphasis on concrete problem-solving and a lesser concern

with doctrinal attitudes, particularly those stemming from traditional concepts. On a number of continuing problem areas, there is evidence of consistency and perseverance over a lengthy period. There are many illustrations of a close co-ordination of Canada's positions on the same or similar issues arising in different areas. An innovative approach can be seen on many questions. On certain problems . . . a bold and dynamic approach is evident. There is a deliberate attempt on virtually every issue to develop the basis for accommodation between conflicting interests, particularly between the interests of Canada and those of the other members of the international community. A common characteristic throughout is a conscious tendency towards pragmatism, functionalism, and flexibility, most notably in regard to the need for change." (*Canadian Perspectives on International Law and Organization*. Ed. by R. St. J. Macdonald, Gerald L. Morris and Douglas M. Johnston. Toronto: University of Toronto Press, 1974.)

Hail and farewell to the Ministers

One of the least-expected moves in Prime Minister Trudeau's Cabinet shuffle of August 8, 1974, involved the External Affairs and Privy Council portfolios. In the straight exchange of portfolios, the Department lost the Honourable Mitchell Sharp as its Minister and gained the Honourable Allan MacEachen.

Mr. MacEachen was formerly President of the Privy Council and Government House Leader. A native of Nova Scotia, he first entered federal politics in 1953 as Member of Parliament for his home constituency of Inverness-Richmond. He has been a Member of Parliament since 1953, except for the period 1958-1962, when he was Special Assistant for Economic Affairs to the Honourable Lester

Pearson, then Leader of the Opposition. Mr. MacEachen has also served in the Cabinet as Minister of Labour, Minister of Health and Welfare and Minister of Citizenship and Immigration.

Mr. Sharp had been Secretary of State for External Affairs since April 1968, having previously served as Minister of Trade and Commerce and Minister of Finance. In succeeding Mr. MacEachen as President of the Privy Council, he will also be undertaking the duties of Government House Leader. From 1942 to 1958, Mr. Sharp was in the federal public service. He resigned as Deputy Minister of Trade and Commerce to become vice-president of the Brazilian Traction, Light and Power Company.

Hail and farewell — again!

Murray Goldblatt, who has been editor of *International Perspectives* since its beginning, gives up that role with this issue. After 23 years of journalism, Mr. Goldblatt has donned academic garb to teach that subject as a member of the School of Journalism of Ottawa's Carleton University. He is succeeded as editor of *International*

Perspectives by Alex Inglis, who has for the past three years been working on the memoirs of the Right Honourable Lester B. Pearson — first as Mr. Pearson's research associate and later as joint editor. Mr. Inglis was associated with the Department of External Affairs from 1968 to 1971 as its first resident historian.

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- No. 48 (August 1, 1974) Visit of His Majesty King Hussein to Canada, August 6-8, 1974.
- No. 49 (August 2, 1974) Joint press release on the Canada-India consultations, July 29-31.
- No. 50 (August 2, 1974) Factual information about Leslie Fieger and Gordon Arnold.
- No. 51 (August 7, 1974) Canadian delegation to the fifth session of the Conference of Ministers of Youth and Sports, Montebello, P.Q., August 9, 10 and 11, 1974.
- No. 52 (August 12, 1974) Recognition of Guinea Bissau.

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Ottawa, June 19, 1974.

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Where Greeks and Turks meet confrontation politics emerge

By W. M. Dobell

There is a sense in which Cyprus was Turkish for three centuries but was never really Turkish, whereas the island has never been owned by Greece but has always been Greek. For thousands of years Cyprus has been linguistically, ethnically and culturally Greek, though not ruled from mainland Greece. Between 1570 and 1878, the island was part of the Ottoman Empire, Ottoman being a historic term to describe Turkey when wearing its imperial toga. During this period, the Turks on the island increased in numbers and power until they became the dominant minority. But in 1878 Cyprus was turned over to Britain as a result of the skilful diplomacy or sharp practice of British Prime Minister Disraeli, and migration to Anatolia caused the Turkish minority to dwindle in size and influence. Cyprus remained a British imperial possession until 1960, although from the end of the Second World War the transition from Empire was as evident in Cyprus as it was elsewhere. Cyprus opted to remain a member of the Commonwealth of Nations after 1960, intending thereby to maintain contacts and some influence in the many parts of the world from which the Commonwealth is drawn. At the time of the *coup d'état* of July 15, 1974, deposing him, President Makarios of Cyprus was actually the senior head of government in the Commonwealth.

Full membership in the Commonwealth is only available to independent nations, and it is a matter of judgment whether the Republic of Cyprus of 1960 was fully independent. The constitution under which the island was governed had not been one of Cypriot choosing, for Britain, Turkey and Greece possessed the right of intervention under certain circumstances. Such a unique feature may well be viewed as a signal limitation on a nation's absolute sovereignty. Britain also retained ownership over two small enclaves in Cyprus in which the British army and air force had military bases.

Post-1960 Cyprus was independent to the extent that the day-to-day government

and administration was in the hands of native Cypriots, a condition that had not prevailed under earlier occupations, such as the British, Turkish, Venetian or Lusignan. But the long-term question of an independent Cyprus or a possible constitutional merger with Greece and/or Turkey was — by a 1959 Graeco-Turkish agreement at Zurich and a British concurrence in London immediately thereafter — left outside the jurisdiction of Cypriots. Moreover, in the 1960 constitution for Cyprus drafted in implementation of the Zurich-London agreements, Greek Cypriots were required to share the governmental and administrative role with the much smaller Turkish Cypriot community.

From 1960 to 1963, the two communities purported — after a fashion — to play their parts together. From 1964 to 1974 the parts tended to be played separately. The Cyprus of 1960 to 1974 was, nevertheless — saving the special case of the British bases —, one Republic. After the Turkish military occupation of July-August 1974, that status has been called into question. Why did this Turkish intervention occur?

Different perspectives

Cyprus lies off the southeast coast of Turkey, less than 40 miles from Anatolia but a full 500 miles from the Greek mainland. Cyprus is much closer even to Leba-

*Governmental
and administrative
role shared*

Professor Dobell is a foreign policy specialist with the Department of Political Science, University of Western Ontario. He has researched the Cyprus question extensively in all interested countries, and has published regularly on the subject over the past ten years. His last contribution to International Perspectives was an article in the September/October 1972 issue on Canadian policy at the Third United Nations Conference on Trade and Development held in Santiago, Chile, which he attended while working for the Canadian Government on leave from Western. The views expressed in this article are those of the author.

non, Syria and Israel than it is to Greece. From the Greek perspective, there is a parallel in the relationship of Mexico to the United States. Much of southwestern United States once belonged to Mexico, and Latin Americans are accustomed to lament that Mexico is "so far from God, so near to the United States". Between 1960 and 1974, Turkey did not annex any part of Cyprus, but its power and proximity was such as to make Greeks lament that Cyprus was "so far from Athens, so near to being a separate state".

Viewed from Ankara, the eastern Mediterranean and Aegean Seas are littered with islands, big and small, many of which once belonged to the Ottoman Empire and all of which are populated largely by Greeks. Modern Greece has only been in existence for a century and a half, yet its demand for sovereign control over these islands has seemed almost inexhaustible. Why should Greece control virtually all the islands in the eastern Mediterranean between the Dardanelles and the Arab world? By what legal right can Greece claim the island of Cyprus, which has never belonged to Greece? If Greece is interested in acquiring Cyprus, why has it been adamant in its refusal to offer a compensating transfer of sovereignty over Greek islands more sporadically settled than Cyprus, some of them within a stone's throw of the Turkish coast?

Barring the Greek populated islands practically choking in the Turkish throat at the Dardanelles, Turkey has not stressed a concern with the sovereignty of Aegean islands. But it has considered that Greece had some obligation to make a reasonable proposal to Turkey if it was staking a claim to Cyprus, over which it had no judicial right. The maritime limits of Greek islands in the Aegean did become a question in 1974, however, as preliminary offshore oil exploration has shown signs of extensive potential of an expensive resource in short supply in both countries.

Turkey has considered that Greece possesses sound rights to the Aegean islands but no equitable grounds for claiming the offshore resources of what is essentially mainland Turkey. Turkey legally owned Cyprus for three centuries and, if it renounced its right to Cyprus in 1923 in the Treaty of Lausanne, it reasserted its residual rights in the 1950s at the suggestion of the then sovereign power, Britain. If Turkey's juridical claim to Cyprus had lapsed for over three decades, it remained legally superior to Greece's. If this legalistic position over Cyprus seemed inequitable to Greece, then Greece should have been prepared to discuss the inequity prevailing

with respect to Greek island offshore sources neighbouring the west coast Turkey. Turkey was prepared to discuss a deal, but reluctant to indicate the parameters of its interest with a nation that might leak the specifics of bargaining positions if it happened to serve its immediate public relations advantage.

Turkey's legal position with respect to Cyprus became, after 1960, much stronger. The 80 per cent of the population of the island that was Greek Cypriot might have welcomed *ENOSIS*, or union with Greece. At the instigation of the Turks, tacitly backed by the British, Greece and Cyprus in 1959 accepted this limitation on the transfer of sovereignty. Turkey in turn agreed to forgo *TAKSIM*, the annexation of part of Cyprus to Turkey. Turkey and Greece were granted the right to station 650 and 950 soldiers respectively on the island, though the stipulated ceiling has long been honoured by both parties more in the breach than in the observance. The on-site soldiery were intended to symbolize the interest of the two neighbouring countries, and serve as a token protection for either community.

Dual community

The Cypriot constitution was designed at Turkish insistence, to elevate the dual community conception into a principle of government. Although encompassing merely 18 per cent of the population, the Turkish community was granted a constitutional status almost the equal of the Greek community. In the Turkish-inspired constitution, minority rights were transformed into community rights, and majority rights into co-partnership. The constitution prescribed a Turkish Cypriot Vice-President to balance the Greek Cypriot President, with a direct Vice-Presidential veto over foreign policy, defence and security, and a suspensive veto over fiscal policy. Turkish Cypriots were granted 30 per cent of the seats in the House of Representatives, and financial and other major legislation had to be passed by the vote of both communities. Each ethnic group was awarded its own communal chamber. The same weighted representation for the Turkish community was stipulated for the cabinet, the civil service, and the police, with the weight factor reaching 40 per cent with respect to the armed forces. The ultimate guarantee of Turkish Cypriot rights and of mainland Turkish influence lay in the expressed right of intervention by Turkey, Greece or Britain, to protect against a threat to the *status quo* established by the treaties of 1960.

On several occasions in 1963-64, Tur

*Oil has made
sovereignty of
Aegean islands
important*

ish intervention was within a hair's breadth of occurring. By late 1963 Greek Cypriot leaders had grown tired of the special status of what was to them an overly favoured minority. President Makarios presented 13 points to the Turkish Cypriot leadership, constitutional amendments intended to transform Cyprus from a quasi-federalism into a unitary state. The proposals would have eliminated the special privileges of the Turkish-Cypriot community, and were rejected by the Government of Turkey. It was this disagreement that sparked the outbreak of violence in December 1963 that led in turn to the introduction of UNFICYP in 1964.

The assumption behind UNFICYP was that Greek and Turkish Cypriots might fire isolated shots at each other, but were both anxious to avoid a civil war. Whether composed of 7,000 troops, as in 1964, or of 3,000 troops as in mid-1974, UNFICYP was at no time instructed to resist — or capable of resisting — an invasion by an outside power such as Turkey. When Turkey almost intervened in the summer of 1964, it was the fear of the American Sixth Fleet, not UNFICYP, that deterred it. The leader of the Republican Peoples Party, Inonu, who was Prime Minister at the time, was informed by President Johnson that the United States would not protect Turkey from a hypothetical Russian counter-attack. The question of whether Turkey would have sought to re-establish Cypriot administration in tattered double harness, or have severed off a sizeable Turkish enclave, did not arise.

For ten years there was instead a Greek Cypriot government controlling most of the island, and a smaller Turkish Cypriot administration holding sway over some of the more concentrated areas of Turkish settlement. The Turkish communal chamber was at times used as a substitute Turkish Cypriot legislature, although the community is rather hierarchical and major decisions were in any event taken in Ankara. The Greek communal chamber, which the Greek Cypriots had always considered superfluous, was discarded. Greek Cypriots continued to use the House of Representatives, with the Turkish Cypriots absenting themselves, as the national legislature.

In late 1967, Turkish intervention again became a possibility. The newly-established Greek regime of the colonels followed General Grivas, the old leader of the Greek Cypriot terrorist organization of the late Fifties, EOKA, to return to Cyprus from his Athens retirement with a sizeable body of Greek troops. Owing to their inexperience in the realm of diplomacy, the

Greek colonels were quite unprepared for the firm Turkish refusal to discuss *Enosis*. On this occasion President Johnson did not put his threats on paper, but sent the polished negotiator, Cyrus Vance, as his emissary. The arm-twisting was discreet and primarily against the colonels, for General Grivas was withdrawn from Cyprus without a Turkish invasion, and the Greek colonels merely lost face.

Double intervention

Prior to 1974, each time the Greek government had been tempted to edge Cyprus towards *ENOSIS*, it had permitted Grivas to return to the island. In 1974, however, Grivas was no longer alive. The earlier attempts to manipulate President Makarios toward *ENOSIS* were replaced by the crudity of a military *coup d'état*. Although he escaped with his life, President Makarios had clearly been marked for assassination. Nicos Sampson, who was appointed President after the coup, was a gunman in the old EOKA movement rather than an influential figure of the stature of Grivas. To counter his reputation as an anti-Turk fanatic and passionate *Enosis*ist, Sampson promised to protect the rights of Turkish Cypriots and maintain the independence of the island. Whether his promises were to be believed was never put to the test, since Turkey found his past record too odious to tempt credibility. The Turkish Ambassador to the UN referred to him in the Security Council on July 27 as an "unbelievable, unthinkable type".

The Prime Ministers of both Turkey and Britain lacked single-party majorities in their legislatures. The Turkish Prime Minister, Ecevit, was the successor to Inonu as leader of the Republican People's Party, and remembered vividly the American veto of the proposed Turkish intervention of ten years earlier. He was determined to avoid a repetition of the experience of 1964, and informed the American Ambassador of his firm intention to intervene in Cyprus in accordance with the 1960 treaties. With the support of opposition parties in the Turkish legislature, he was assured that intervention in Cyprus would be immensely popular in Turkey.

Since the British had significant numbers of troops already stationed on Cyprus in the British bases, Ecevit would have preferred an Anglo-Turkish intervention. Harold Wilson, as Prime Minister of a minority Labour Government, however, was no more convinced that intervention in Cyprus would bring a boost to his party following in 1974 than he had been convinced in 1965 as a minority Prime Minis-

*Manipulation
of Makarios
toward ENOSIS
replaced by
military coup*

*Intervention
on Cyprus
a popular move
in Turkey*

ter that intervention against unilateral Rhodesian independence would have been generally popular with the British electorate. Nicos Sampson may have had even fewer defenders in Britain than Ian Smith had possessed nine years earlier, but the minority Government of 1974 was more precarious than that of 1964-66, and all-party reluctance to become embroiled in bloody and costly adventures outside of the British Isles was more pronounced.

So the Turks determined to intervene alone, and this time the Americans did not succeed in talking them out of it. If the Greek junta were anxious to command any support at all for its *coup* in Cyprus, it would have been well advised to have obtained a more presentable figure-head than Nicos Sampson to act as President. The Americans would not use the Sixth Fleet to block a loyal ally bent on the overthrow of the beneficiary of a *coup d'état* when the usurper was an emotional xenophobe and convicted assassin.

In its intervention of July 20, 1974, the Turkish Government was careful to define a very limited aim. An extreme right wing military government in Athens that had once seized power itself masterminded the *coup d'état* in Cyprus in order to install another right wing extremist regime. Since the personalities involved were also known "Enosists", the Turkish case for intervention in conformity with the 1960 treaties was both legally plausible and politically presentable. As the responsible Turkish Government was the most humane and imaginative to have governed Turkey in several decades, the chance of successfully explaining the limited intervention was not impossible. The failure to capture Nicosia airport immediately made the intervention a less than complete military success, but the essence of the job was achieved with the capture of the seaport beachhead of Kyrenia. The extremist regimes in Athens and Nicosia crumbled in recognition of their misjudgment, surrendering power to more moderate figures who might reassure the Turks that their aims had been achieved and that they could safely recall their troops to Turkey.

Had the Turkish army halted its advance with the fall of the junta and Sampson, critics of the intervention would not have found it easy to sustain their case against Turkey. Makarios supporters did not find it possible to welcome a Turkish vigilante force committed to the overthrow of Sampson and the restoration of the *status quo*. The Cypriot UN Ambassador called Turkey's July intervention in Cyprus "an aggression against its territorial integrity, independence and sover-

eignty". Greek Cypriots were not sure if the Turks wished Makarios back, or if the Turkish army would leave when the proclaimed mission was complete. The suspicions proved well-founded, since Makarios was not recalled to Cyprus or the Turkish armies to Turkey. Instead, the Turkish army was instructed stealthily to advance and extend its control over strategic locations.

New governments

The new Greek Government was expected to extend legal recognition to the enhanced Turkish status in Cyprus, and thereafter secure the assent as well of the new Cypriot Government. In these circumstances Greek Cypriot antipathy to the Turkish occupying army became intense, and Turkish Cypriots not under the protection of the Turkish army feared for their lives. The Turkish Government initially claimed to have sent its army to protect the lives of Turkish Cypriots; after mid-August the need for that protection became almost imperative. By the extent and duration of its military intervention, Turkey ensured that its proclaimed justification would become a self-fulfilling prophecy.

The Turkish intervention had brought into power a Greek Government containing some of the key figures of the period 15 years previously, when the treaties circumscribing Cypriot governmental jurisdiction had been framed. The Prime Minister of the Zurich and London Agreements, Karamanlis, was recalled from retirement and exile to assume the burdens of office. The Foreign Minister at that time, Averof Tositsas, was asked to take up the Defence Ministry, a critical post in a country nervously and uncertainly escaping from several years of direct military rule. These men had proved conclusively 15 years before how high a priority they placed on good relations with Turkey; their earlier policy had subordinated the question of Cyprus to a *rapprochement* with Turkey. They had believed in their earlier policy, and the Turks trusted them.

Their Foreign Minister, George Mavros, was a leader of the Centre Union party that had been in opposition during the Karamanlis days. He was less committed to the Cyprus settlement of 1960 and closer to the Makarios Government, but he was a man of integrity, who had been imprisoned five times by the junta. On July 16 he was quoted publicly as suggesting that whoever planned the *coup* in Cyprus was paranoid and mentally ill. He too had earned the respect of Turkey. After the extension of the Turkish area of control in August, however, Mavros four

Greek junta
needed
more presentable
figurehead
than Sampson

Misjudgment
led to moderates
replacing
extremists



World Wide photo

UN Secretary-General Kurt Waldheim brought together Glafkos Clerides and Rauf Denktash for their first meeting since hostilities broke out. The Greek Cypriot and Turkish Cypriot leaders are shown

here after the meeting with Kurt Waldheim and Prince Sadruddin Aga Khan, UN High Commissioner for Refugees. The meeting took place on August 26.

it impossible to return to Geneva for another session of Graeco-Turkish discussions on the future of Cyprus. Greece could not legitimize the new Turkish status quo in Cyprus, nor could it advise the Cypriot Government to do what it could not accept itself.

Reaction to adversity

In the light of Turkish advances in Cyprus, Greece's withdrawal from its military obligations to NATO was a minimum response to a situation of national humiliation and perceived allied betrayal or indifference. In the circumstances of August 1974, Greek forces could hardly remain integrated with Turkish ones in the NATO Eastern Mediterranean Command at Izmir. Greece and Turkey were no longer exchanging their military plans with each other, though each continued to be broadly aware of the other's deployment. Greece did not take an early decision to close the American bases established by bilateral treaties; it did not sever diplomatic relations with the United States; it did not withdraw from the political organization of NATO. Instead, after 11 years of exile in Paris, Karamanlis took a leaf out of General de Gaulle's book and limited Greece's military integration with NATO.

The new Greek Government's reaction to national mortification was not unlike the new Pakistani Government's reflex in

comparable circumstances two and a half year's before. When, after December 1971, a major misjudgment on the part of his predecessor had presented him with the Presidency of Pakistan on a platter, Bhutto pondered what gesture would have maximum favourable domestic impact at minimum international sacrifice to Pakistan's interests. In Bhutto's case, the withdrawal of Pakistan from the Commonwealth could be utilized without adverse affect on any of Pakistan's bilateral relations. In the case of Karamanlis, the military withdrawal from NATO could be carried out at the apparent loss to NATO of the Greek military contribution already virtually suspended, but not – at least initially – of the more significant Greek facilities utilized by the Americans, nor of the Greek political relationship with the United States, NATO, and the European Community. The pre-election Karamanlis Government was unrepresentative of the Greek Left; any lesser gesture would have in the long run gravely undermined its ability to speak for the whole Greek people.

For Glafcos Clerides, provisional President of Cyprus after the fall of Sampson, the responsibility of dealing with the presence of an occupying power was a thankless task. His reputation as a conciliatory man only complicated his mandate. If legally he were to accept the reality of occupation, he would require the

reputation of a Pétain, i.e. nominal leadership of the rump of his country while foreign troops occupied the wealthiest, most productive, and strategically important parts of the Republic. Already Makarios had flown off to safety in a British plane, like de Gaulle from France in 1940, and Makarios was as ready to rally the world to a Free Cypriot banner as de Gaulle had been to a Free French one. The only course open to Clerides consistent with the maintenance of his political support within the Greek Cypriot community has been that of the patriot leader during a state of siege. In the process his stature within the Greek community may have risen, but it has drawn him closer to the position of Makarios and farther from reconciliation with the Turkish Cypriots.

That may not have been the role Turkey envisaged for Clerides, who has always managed to maintain a working relationship with Denktash, the leader of the Turkish Cypriot community. If Turkey intends an indefinite military occupation of part of the island, the complexion of the Greek Cypriot leader may not be a matter of great consequence. But, if Turkey comes to contemplate partial withdrawal and negotiations towards accommodation, it will be important to Turkey and to Turkish Cypriots that whoever speaks for the Greek community is able to speak forcefully and credibly for that community.

*Relations
between Clerides
and Denktash
maintained*

Canadian response

In 1975 it will be necessary for the Canadian Government to determine what commitment, if any, it may wish to make to UNFICYP. Apart from the British, whose presence on the island relates primarily to the bases and precedes the creation of UNFICYP, no nation has had a greater responsibility for the establishment and continuance of the UN Force. In the face of the reluctance of other countries to commit themselves in 1964, Canada sent its first troops to Cyprus. Intended as a spur to other possible contributors, this action did not arise from any satisfactory mandate that had been drawn up for UNFICYP.

Canadian troops have fulfilled some of the most dangerous and arduous of activities, and have paid their own way despite the uniqueness of this generosity. They have been kept on for ten years despite occasional Parliamentary suggestions for withdrawal, and often in the absence of firm governmental conviction that they were achieving very much in Cyprus. A defence that a Canadian presence was requested by the Greek and Turkish Cypriot communities, and by con-

cerned NATO partners, may seeming provide adequate justification for Canadian participation, but it leaves the value judgment largely in the hands of others.

The Force's function, at least in the 1960s, was to minimize the shooting between Greek and Turkish Cypriots and help establish an atmosphere of calm for the encouragement of political deliberations. As a greater feeling of security was established by the late 1960s, the size of the UN Force, and of the Canadian contribution to it, was decreased. The political talks, conducted for a half-dozen years by Clerides and Denktash, have sought to reconcile the changes the Greek Cypriots wanted in the 1960 constitution with the aspiration of the Turkish Cypriot community. During the decade preceding the summer of 1974, there was some question whether the Greek Cypriots really regarded the 1960 constitution as operative, although the Turkish Cypriots always insisted that it was. After Turkey assumed the upper hand in August 1974, however, it has been the Greek Cypriots who have returned to an emphasis on the validity of the 1960 constitution, whereas Turkey has come to question its relevance.

There was a time in the early 1970s when it appeared that the United Nations was becoming inadvertently involved in a factional fight between supporters of Makarios and of Grivas. Had that continued for much longer, it is difficult to believe that the rationale for UNFICYP could have been stretched very convincingly to justify a continued UN military presence on the island. It is equally difficult to believe that it will be a Canadian or a United Nations interest to continue for years rather than for months a sizeable and costly UN presence to rescue individual Cypriots of either community from foreign armies or marauding para-military organizations.

For the immediate future it is as well that the Canadian contingent in UNFICYP remains — as it is now — better armed than has ever been the case before. It is after all facing current responsibilities that exceed any that it has had to face previously in Cyprus. In the medium run it may have to be reinforced, in manpower although not in equipment, to protect re-established communities within areas predominantly populated by the other side. Such a need would be apparent in a transitional period of adjustment after a phase of Turkish military withdrawal. But if a sizeable Turkish military occupation is retained over a period of years, that might require reduction, or even withdrawal, of UN Forces.

It is the function of UNFICYP to separate modest-size units of trigger-happy adventurers, to ease individual suffering, and to facilitate the movement of political leaders towards a settlement. It is not the responsibility of UNFICYP to preside over a transformation from a *de facto* to a

de jure division or compartmentalization of the island. That would require a new mandate from the Security Council. It would not be accomplished without a great deal of debate, in the United Nations and elsewhere.

Cyprus

Political intransigence means tragedy for the troubled island

By Robert J. Jackson

The Cyprus affair resembles more and more a permanent Palestinian tragedy. While the international press continually exposes outrageous atrocities and refugee problems on Cyprus, little can be done on the island itself to resolve the issue. The solution must come from Greece and Turkey, which unfortunately are locked in intractable positions. Greece cannot negotiate unless Turkey makes some prior concessions, and Turkey, as victor, is unwilling to render any conciliatory gestures before negotiations.

The new civilian Greek leaders face two major multi-faceted problems. Concurrently, they must overcome the humiliating loss of Cyprus to the Turks and dismantle the machinery left from the military dictatorship. Neither of these issues will be permanently resolved without the aid of international action and the suasion of world public opinion. A preliminary settlement of the Cyprus crisis is vital to the consolidation of the new Greek regime. Lawrence Durrell has often pointed out that Greeks believe Cyprus is theirs for historic, political and ethnological reasons. No Greek government can survive unless it bases its legitimacy on this claim. The Greeks feel they have been humiliated enough by seven years of military dictatorship and are in no position to accept the new *status quo* in Cyprus.

In Turkey the situation is comparable. The Turks are in a period of militant euphoria over their victory on Cyprus, and the only remaining opponents of government policy want Prime Minister Bulent Ecevit to harden his position. In such a mood, no Turkish government could compromise (what the Turks refer to as providing Karamanlis with a gift on a silver platter) with Greece before negotiations, even if it wanted to. Ecevit must remain

aloof in a minority government or share power with parties that are considerably more nationalistic than the People's Republican Party. With the exception of the Justice Party, all are Islamic nationalistic parties that could be compared to Colonel Qaddafi's movement in Libya. Moreover, the Turkish army, too, is in a mood of euphoria over its victory and that must be kept in mind in any judgment about what would happen in Turkey if the government withdrew from occupied land in Cyprus. As recently as 1971, the army overthrew Demirel in what was called a "coup by memorandum" and today it still retains many privileges in Turkish society. The children of military personnel, for example, are housed in special quarters at the University of Ankara. Professor Muntaz Sosyal, a leftist socialist jailed during the last military government, declared in an interview: "We are united almost to a man against withdrawing troops from Cyprus,

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and the Army would intervene if any military advantages were given up in Cyprus." From a Turkish point of view, Cyprus has been their island since the sixteenth century and should remain Turkish in the future.

Historical imbroglio

Different conceptions of the history of the present crisis are advanced by Greeks and Turks. The Turkish conception originates in the long period of Turkish control that existed from the sixteenth century until 1878, when, through an accord with Britain, the former Ottoman Empire gave control of the island to London. The present Greek government, on the other hand, tends to view the Cyprus crisis from a considerably shorter perspective. It argues that the world should judge what has happened in Cyprus from the date at which the military dictatorship was toppled this summer. Neither of these perspectives provides a foundation for discussion or negotiation.

For our purposes, the present situation may be said to have begun in July 1954 when London announced that it intended to give Cyprus its own constitution. This announcement triggered Greek criticism at the United Nations and the beginning of the EOKA campaign of terrorism on Cyprus, which was intended to provoke annexation of the island to Greece. Attempts to resolve the intricate differences in a conference between Britain, Greece and Turkey failed. Makarios was deported to the Seychelles for approximately a year, during which time he changed his pro-ENOSIS views.

Assassinations, troop movements and internal instability led to the conference of February 11, 1959, in Zurich. At this conference, London, Athens and Ankara agreed to independence for the island and set up a new constitution by which Greek and Turkish Cypriots obtained joint control of the government and administration. The President was to be Greek and the 18 per cent of Cypriots of Turkish origin were to be represented by a Vice-President with specified veto powers. Makarios was elected President later that year and on August 16, 1960, independence was granted to the island. In return for the right to intervene if communal guarantees were violated, Turkey gave up *TAKSIM* (annexation of Cyprus) and Greece renounced *ENOSIS* (union with Cyprus). Each state was allowed to retain a few troops on the island to guard communal rights. Britain retained two military bases on the island, but Cyprus did not become a member of NATO.

Quarrels, jurisdictional conflicts and violence continued to plague the island and the new constitution had only limited effect. On March 4, 1964, the Security Council of the United Nations had to send an international contingent to the island to maintain order, but political violence continued. Even when General Grivas, leader of the EOKA campaign, died, the *enosis* movement continued and on July 15, 1974, the infamous *coup d'état* took place in Nicosia. Radio Nicosia announced that Makarios had been killed — which later proved to be wrong, as he had escaped on a British plane. The EOKA gunman, Nicos Sampson, immediately took over.

The Turkish government of Bülent Ecevit decided it would "never have a better time to attack". After failing to obtain British partnership or support for an armed intervention, Turkey landed troops on the island on July 20, 1974. It justified its actions by the 1960 Treaty of Guarantees, which allowed Turkey, Greece or Britain the right of intervention to protect the *status quo* and the lives of Cypriots. This military attack secured Turkish control of Kyrenia, a beach-head on the north shore, and had repercussions in Greece, where the military dictatorship was overthrown. Meanwhile, on Cyprus, Sampson was replaced by Glafcos Clerides and the Turks attacked again, capturing approximately one-third of the island, including the port of Famagusta.

Intransigence in Greece and Turkey

It is in the context of this long-term unresolved situation that one must view the present crisis in Cyprus. No doubt Cypriots, Greeks and Turks all bear some responsibility for this latest tragedy. Appraisals are complicated by the charges and counter-charges about atrocities that will only be untangled by future historical analysis — if then. Therefore, it is necessary to examine the present circumstances and, if possible, develop policies based on these facts.

The hostilities between Greece and Turkey over Cyprus are aggravated by strategic military concerns in the Eastern Mediterranean and also by the discovery of considerable amounts of undersea oil in the Aegean. The latter has compounded the militancy of both powers. The debate concerns the offshore resources of Greek islands that are extremely close to Turkey. The Greeks and Turks both make it clear that if there is a confrontation over this oil it could ignite a war between them. One summit meeting between the Greek and Turkish Prime Ministers was held in the spring of 1974 to solve the dispute.

*Terrorist campaign
sparked by
British decision
to grant
constitution*



UPI photo



UNPIX photo



UPI photo

The leaders of the three countries involved in the Cyprus imbroglio talked to the press in July. Constantine Karamanlis (left) is shown as he prepares to leave his exile in Paris to return to Greece and the premiership. Archbishop Makarios (centre) is photographed in New York after his

deposition as President. The main question was whether and when he would return to the island. Turkish Premier Bulent Ecevit (right) is shown while announcing on July 20 that Turkish troops have landed on the beaches in Cyprus.

but it concluded in an acrimonious debate. A minor contention also exists over some other islands, such as Rhodes, which contain significant Turkish minorities.

Turkey has immediate advantages in any military contest. While Greece has a *per capita* income three times that of its adversary, Turkey possesses superior weapons, military personnel and geographic location. Its invasion of Cyprus was based on the 1960 Treaty of Guarantees, which protected minority rights on the island, and it is now in the enviable position of controlling over 35 per cent of the land and most of the productive capacity of the island. Since the Turkish Cypriots number only 120,000, in comparison to 520,000 Greek Cypriots, the Turkish army could withdraw from much of the occupied territory and still emerge as major victors.

World opinion

In the long run, world public opinion is likely to shift dramatically in favour of the Greeks. While ministers in the Greek Cabinet say privately that there is nothing they can do about Cyprus, they cannot admit this publicly, because it would legitimize the new Turkish-dominated *status quo*. However, Prime Minister Constantine Karamanlis and his coalition government continue to hope for action by the United Nations. The focus of the General Assembly and this world discussion will be the 150,000 Greek Cypriot refugees who are lodged in unbelievably deplorable conditions on the south side of the new Green

Line. Even the charges and counter-charges about atrocities are not likely to offset the importance of this tragedy of homeless people.

Domestically, the new Greek leaders have made symbolic gestures to enhance their image. These policies include national mobilization, the enactment of an inoperative martial law and the removal of oppressive tank regiments from Attica. In addition, anti-NATO and anti-Washington policies are calculated both to increase indirect pressure on the Turks in order to soften their hardline position on Cyprus and to capture the mood of anti-Americanism that has swept the country. In Greek logic, the seven-year-old military dictatorship was initiated, encouraged and supplied by the Americans. When the latest *coup d'état* came only hours after the July 22 press conference in which Mr. Henry Kissinger predicted that there could soon be a "coup" or "change" in Athens, the Greeks were convinced that the United States controlled the fate of their country. While this simple approach to the web of conflicting evidence about events in the Eastern Mediterranean can be challenged, there is currently no tendency in Greece toward such objectivity. Thus, in spite of its three Communist neighbours, Greece has withdrawn its troops from NATO and is likely to keep them out both for internal stability reasons and because of rampant anti-Americanism in Greece.

The crisis has also allowed Karamanlis to get rid of the remaining political

Kissinger's predicted coup seen as evidence of American interference

*Educational,
judicial and
security systems
being purged*

machinery of the junta without inviting the wrath of the generals who deposed the ruthless, puritanical General Demetrios Ioannides. Karamanlis has moved cautiously, and responsibly, to reorganize the social and political life of Greece. This has taken three forms. First, a purge of higher educational establishments is under way; those professors who held formal positions in the government have been dismissed from their university posts, and even those who were elected during the past seven years are being investigated. Secondly, the judicial system is being purged. All judges dismissed during the past seven years are to be reappointed and those who remain in office are to have all debatable cases re-examined. Thirdly, and most significant, the security services and the intelligence organizations are being reorganized. The newly-appointed senior officials are almost all individuals who were jailed or exiled during the rule of the junta. Passports are denied the leading personalities of the military regime, former President Papadopoulos is under house arrest, and even the dreaded Ioannides has been permanently placed on the retirement list.

One awkward question about the relations between the Cyprus affair and the future stability of Greece concerns the elections that will take place while this article is on the press. Within the government there have been strong advocates of every type of constitution and election. The bitterest fight, however, was over whether or not there should have been a complete purge of government officials before the election took place. George Mangakis, a democratic socialist member of the government, violently opposed calling elections before all of the previous government apparatus was destroyed. "If we don't get rid of the present functionaries, including the mayors," he declared, "then the simple folk in the villages and countryside will not really understand that the regime has become democratic." He lost.

A second question concerns the economy. This problem will remain to some extent no matter what occurs in Cyprus, but it is exacerbated by the hostilities. As Ioannis Pasmazoglu, Minister of Finance, said privately, there will be an "acute short-term economic crisis and the middle-term does not look good either". Greece is bedevilled by hyper-inflation, tourism is depressed, and, according to the present government, it will be impossible to right the economy without European support. The dim economic prospects are being countered by stringent monetary and fiscal

policies and attempts to join the European Economic Community. The trips of Georgios Mavros, the Greek Foreign Minister, and Pasmazoglu to Western Europe were diplomatic manoeuvres calculated to affect future European policy toward Turkey and also to seek agricultural supports and long-term loans.

In October the prestige of Karamanlis remains extremely high because of his reception as the saviour who returned Greece to freedom and democracy. However, unless the intensity of the Cyprus crisis can be reduced, the image of the present regime is almost certain to be tarnished in time. Therefore, every political effort is being made by Greece and its friends to obtain a conciliatory move toward the Turks in order that democracy may survive in Greece.

Turks stand firm

It is extremely unlikely that the Turkish government of Bulent Ecevit will agree to remove troops from the island or to withdraw from any occupied territory. A concession involving the free movement of refugees or similar symbolic gesture should, however, be possible for such a popular government. Ecevit is not very receptive to pressure or suggestions from either the United States or NATO. The famous 1964 Johnson Letter, which prevented an earlier Turkish invasion of Cyprus, was deeply resented. Fear of Russia has waned in Turkey and probably will continue to decline. The Turks ignored American protests over the growing and selling of opium poppies. As one senior Turk official asked privately: "Why should we ban the sale of opium when the Americans won't stop their international sale of guns?" And although Kissinger telephoned Ecevit 11 times on the evening before the invasion in an attempt to stop Turkey, it was to no avail.

Only the withholding of the \$21 million in American military aid to Turkey could have caused the Turks to reverse their present hard-line position. Congress voted once to cut off this aid but was vetoed by President Ford. The Administration was under pressure from the more than two million Americans of Greek origin to accept the Congressional initiative but, because of American and NATO strategic interests in the Eastern Mediterranean, refused to do so. This is a concern that will increase when the Suez Canal opens and allows Soviet naval carriers to sail through into the Indian Ocean. In the meantime, the weak compromise that has emerged between Congress and the President will do nothing to move Turkey in

*Gloomy economic
forecast
results in bid
to join EEC*

any specific direction.

The Turks, then, are unlikely to relax their policy regardless of international public opinion about the Greek Cypriot refugees. These 150,000 individuals, like the Palestinians, cannot be expected to remain homeless without the eruption of violence. In the near future, the mass media will report Cyprus border skirmishes, guerilla warfare, and possibly even kidnappings and aircraft hijackings. A vitriolic debate in the United Nations will highlight these problems, as will the activities of the United Nations peacekeeping force on the island.

The irony of the situation is that the

new Greek government needs Turkish help to move further along the democratic path and away from the repressive dictatorship that bound its people for the last seven years. Somehow Turkey must deliver a compromise on Cyprus which will allow Greek leaders the possibility of saving their national pride. In their present state of euphoria, the Turks are unlikely to relinquish anything before formal negotiations take place. Both antagonists are characterized by what one Turkish minister told me: "In this part of the world, when you find a flea in your bed, you burn your blankets."

Cyprus

After ten years of UNFICYP the basic problems remained

By E. M. D. Leslie

The trouble on Cyprus has gone on for so long, has become so confused and involved, that the basic and continuing reason why the people of Cyprus are in conflict has become obscured. What is it all about? Why are Canadians serving on Cyprus and where did things go wrong? Clarity on these fundamental questions is essential if we are to draw any valid lessons from our long and expensive participation in UNFICYP.

On March 14, 1971, President Archbishop Makarios made a speech in the otherwise unimportant village of Yialousa in which he redefined the fundamental problem of Cyprus with catastrophic clarity:

"Cyprus is a Greek island. It was Greek from the dawn of history and it shall remain Greek forever. We have taken it over as a wholly Greek island and we shall preserve it as an undivided Greek island, until we hand it over to mother Greece."

Apart from being historically inaccurate (except for a brief period when Alexander ruled the known world, Cyprus was never part of a Greek political entity) and prophetically improbable, this statement ignores the fact that Cyprus was most certainly not wholly Greek at the time of independence. Eighty-two per cent of the people of Cyprus speak Greek and belong to the Orthodox faith — both facts almost

certainly deriving from or owing more to Constantinople when it was seat of the Byzantine Empire than to anywhere else. The other 18 per cent are the descendants of the Turks who came with or followed the conquest of 1571 and were never assimilated. Time and space preclude a detailed historical analysis. Suffice it here to say that the majority of Greek-speaking Cypriots desired and saw their political future in union with, and incorporation into, the Greek state. The Turkish Cypriots were and are adamant in their determination that this must not happen. ENOSIS was the problem in 1964, and I fear that ENOSIS is the problem today.

It is beyond my ability even to attempt to define the point at which and circumstances in which the will of a majority must be accepted by a minority; whether a small minority of Turkish-speaking Cypriots should be permitted to deny the aspirations of a vast majority of

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UPI ph

A UN peacekeeping soldier monitors Turkish mortar attack on Greek Cypriot

positions. This attack took place on the Lapithos Road in August.

Greek-speaking Cypriots is a question I cannot judge. But it is a historic fact that minorities, be they Greek or Turk, have fared badly under all circumstances even vaguely similar. Even more, it is a geographic fact that Turkey is a scant 40 miles from Cyprus and, for reasons that make eminent strategic sense in Ankara, Turkey will not accept a further extension of Greece to include Cyprus. Turkey and the Turkish Cypriots made this abundantly clear. When Cyprus gained the independence Greek Cypriots did not want, the EOKA struggle was for ENOSIS and independence was the compromise outcome. Here it is pertinent to remember that no Turk is yet reconciled to the deeding of the Dodecanese (taken from Turkey by the Italians in 1911) to Greece after the Second World War.

Turkish and Turkish Cypriot determination was reflected in the founding Treaties of London and Zurich, which established the constitution, the limits and the safeguards by which Cyprus became and was to remain an independent republic. *Inter alia*, these founding instruments secured — perhaps over-secured — the position of the Turkish Cypriot minority and specifically forbade even the advocacy of the union of Cyprus with any other country. To emphasize and sharply point up the fact that the constitution was not to be tampered with, the guarantor powers were given the right to maintain small garrisons on the island and to intervene, either collectively or individually, for cause. These treaties were ratified by the Republic of Cyprus, Greece, Turkey and Britain in

1959, were denounced by the Government of Makarios in 1964 and — an interesting point this — were reaffirmed as having continuing validity by Greece, Turkey and Britain as recently as 1972. It is also interesting to note that Mr. Karamanlis, the present Prime Minister of Greece, held the same office when the founding treaties were originally ratified.

The inability — perhaps unwillingness — of the two Cypriot communities to make the constitution work or to effect a reasonable and acceptable compromise led both to start arming discreetly in the early 1960s. Inevitably some spark would start the shooting. It was just a matter of time until it began in 1963.

Canadian involvement

First, Britain and then the United Nations became involved and, as part of UNFICYP, Canada entered into the Cypriot scene. The important point here is that we did not enter into a killing squabble between two communities on a far-away island for simple humanitarian reasons. A close look at the mandate given to UNFICYP by the Security Council on March 4, 1964 (it has not since been changed), puts the matter into perspective:

In the interest of preserving international peace and security, to use its best efforts to prevent a recurrence of fighting and, as necessary, to contribute to the maintenance and restoration of law and order and a return to normal conditions.

While humanitarian considerations undoubtedly played some part in our de-

Turks cannot accept further Greek presence in Mediterranean

cision to participate in UNFICYP, the wording of the above mandate, particularly the words “preserving international peace and security”, makes it clear that we went to Cyprus for the most cogent reasons of enlightened national and international self-interest. Our concern then, and probably still, was that a relatively minor inter-communal conflict might spill over and escalate into conflict between Greece and Turkey, with consequences that could be global. Considering the circumstances then existing in the Balkans and the Middle East and the world-wide confrontation between the super-powers, our apprehensions were, I think, justified. They may still be.

In a real sense, the surprising thing is how well matters went under the umbrella of UNFICYP. The force did keep a very large measure of intercommunal and “on-island” peace. It did give the Cypriots ten years in which to compose their differences and evolve a compromise solution to their problem. A whole decade of peace-keeping is quite an achievement but, sadly, peace-keeping is only the means to an end. That end is peace-making. Here some words of the Secretary-General of the United Nations are most significant. In a recent speech he drew the distinction between “peace-keeping” and “peace-making” pointing out that, under existing circumstances, the United Nations could keep the peace but only the parties in contention could make it. This, despite a decade of lull and opportunity for discussion and compromise, is precisely what the Cypriots failed to do. In the simplest of terms, the United Nations escorted the Cypriots to water but they refused to drink. Now they are in great danger of drowning!

The history of UNFICYP may some day be worth writing. The ups and downs of peace-keeping on Cyprus are in themselves interesting. But, whatever success history grants UNFICYP, the bitter fact remains that the Turks came last July. Their coming edged Greece and Turkey perilously close to war and gravely endangered the “international peace and security” UNFICYP was deployed to safeguard. Could or should UNFICYP have taken military measures to oppose the Turkish invasion? The answer must be a flat “no”, for neither the United Nations nor UNFICYP had any authority or legal right to defend Cyprus from external attack or incursion by troops from abroad. Here it is pertinent to note that UNFICYP took no action in 1965, when, over and above 900 authorized by treaty right, Greece deployed some 10,000 troops in Cyprus.

It is easy, and, I fear, a very common Cypriot habit, to place the blame for failure to make peace on Cyprus on everyone but themselves. Certainly Greece and Turkey, Britain and the United States, the Soviet Union – in fact all powers and nations having a Balkan or Middle Eastern interest – were concerned, and to some extent involved, in and on Cyprus. However, no one of them, nor any combination of them, is responsible for the failure of the Cypriots to reach an accommodation and *modus vivendi*. This judgment will be unpopular with those who are partisan. It will be unacceptable to others who feel micro-states should be immune from criticism. But the fact remains that the Cypriots did not find a solution to their problem despite ten years of grace given by the world community through UNFICYP.

ENOSIS resulted in the creation of an independent Cyprus. The refusal by the Greek Cypriots to accept that ENOSIS was not feasible destroyed Cyprus as a sovereign and unitary state. That refusal and the current Turkish intervention may well cause the total disappearance of Cyprus as a state. ENOSIS and its opposite number TAKSIM could yet be the outcome. In that event, part of the island would go to Greece, while the remainder would go to Turkey.

Lessons learned

We have learnt a number of lessons from the Cyprus experience. First and foremost, we can take satisfaction from the knowledge that the UN peacekeeping machinery was effective for a whole decade. We can also be satisfied that there are no major complications in setting up and operating a multi-national military force for international peace-keeping. UNFICYP worked and worked well for ten long years, which is all the proof necessary to show that the know-how and goodwill exist. On the question of financing UNFICYP, there are also lessons to be learned. Too few nations bore too much of the burden, and Cyprus made too much money out of the presence of UNFICYP (a consideration with many ramifications). From a political point of view, the original appointment of a mediator was undoubtedly correct, but surely it was a mistake to drop this technique when his effort failed to reach consensus. From an operational point of view, the UNFICYP mandate stood the test of time but, unfortunately, the accepted status-of-forces arrangements – particularly freedom of movement and the Cypriot share of costs – were never rigidly imposed or maintained.

Finally, although this is but an opin-

Responsibility for failure to find solution rests in Cyprus

Too few nations participate in financing U.N. force

ion gained from distant observation, the half-yearly troop-contributor meetings were entirely too gentlemanly. They did not express the very real frustrations that most felt over the endless failure of the Cypriots to find a solution to their problem. Some round and very firm talking from the troop-contributors might have done much to infuse a sense of urgency. Instead, the Cypriots were allowed to conclude — wrongly, as it turned out — that time was on their side.

What next? God alone knows, but seems safe to say the best the Cypriots can now hope for is a federal state with two geographic provinces and the words ENOSIS and TAKSIM, with the island divided by a new and dangerous Greek-Turkish border. From an international point of view, there is no doubt that recent events on Cyprus have jeopardized world peace and stability and that, in this sense, UNFICYP did not achieve its mission.

Cyprus

Strategic triangle formed by Athens, Ankara and Nicosia

By Albert Legault

In 1841, a British minister, Sir Edmund Lyons, made this audacious statement on the subject of Greek independence: "A wholly independent Greece would be an absurdity; either it is Russian or it is English. And, if it ought not to be Russian, then it must of necessity be English." If this same pronouncement were to be made about the Greece of today, some 100 years later, it would be almost as appropriate, but in a different context. The choice of alternatives is no longer that of a Russian or a British Greece but of a Soviet or American Greece. Indeed, ever since 1945, the United States has been engaged in a massive program of aid to Greece to prevent it from entering the Communist camp. Early in this same period, a generous America formulated the Truman Plan, designed to give financial assistance to Greece and Turkey, both on the verge of economic collapse.

To all intents and purposes, the present polarization dates from that time. The United States assumed Britain's

former role as guardian of the eastern entrance to the Mediterranean, while the British presence continued on the island of Cyprus, a Crown colony since 1925. Situated some 40 miles from the coasts of Asia Minor and 53 miles from the coast of Syria, Cyprus stands solitary and proud at the crossroads of the great historic route between the Orient and the Occident.

Without delving too deeply into the ancient history of Cyprus, when it was successively a vassal of Assyria, Egypt and Persia, we recall its strategic importance as a beachhead at the time of the Crusades, its history as a Genoese protectorate, its subsequent conquest by Turkey, and the Ottoman domination that lasted for more than three centuries (1571-1878). Britain intervened in 1878, ostensibly to give assistance to the Ottoman Empire in its struggle with its neighbour to the north and at the same time decided to make Cyprus a British protectorate.

Fluctuating importance

From 1945 to the present, the strategic importance of Athens, Ankara and Nicosia has fluctuated with the shifting centres of tension within the international community and in relation to the interests of the particular powers concerned.

It was soon realized that an entente had to be developed between the two countries that had been involved in several face-to-face confrontations during the nineteenth century and in the bloody engagement of 1922. Some 30 years later Greece and Turkey sealed their reconciliation as signatories to the North Atlantic

*Choice today
is between
American or
Soviet control*

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Treaty. The principles of this compact offered few hazards to the manners and customs of the two countries, as they had had numerous occasions in the past to conclude military alliances. For Greece, these agreements afforded opportunities to win, with the help of its allies, nearly all the campaigns it engaged in, while for Turkey, often acting alone, it meant defeat after defeat, with the exception of the campaigns against Greece in 1897 and 1922.

Certain fundamental determinants lay concealed in this NATO membership: to prevent the U.S.S.R. from gaining access to southern waters and to stabilize the European front stretching, in 1945, from Stettin to Trieste, in order to extend it, by way of Athens, as far as Ankara. The American obsession with pacts resulted in a second strategic triangle in 1959, when CENTO (the Central Treaty Organization), consisting of the United States, Turkey, Iran and Pakistan, was launched for the purpose of restraining Soviet ambitions in the Middle East. CENTO became the *de facto* successor of the Baghdad Pact, which foundered in 1958 following the withdrawal of Iraq. These events were followed shortly by the Suez reversals, which only served to strengthen Britain's determination to maintain its garrison on Cyprus.

During the nineteenth century, it was mainly to prevent Cyprus from falling under foreign influence that Britain took care to see that it was invited there. In the 1950s, however, Cyprus already held an important place in the British military establishment. In 1958, Britain decided to store bombers with the capacity to carry nuclear bombs at Dhekelia and Akrotiri, following a new orientation in defence policies. Thus Britain's nuclear interests gave to Cyprus an important NATO dimension, which, of course, could not help but please the United States. The independence of Cyprus in 1960 was followed by communal strife of sufficient intensity to focus attention once again upon the question of partitioning the island between Greece and Turkey. Actually, it was owing to the undaunted efforts of President Makarios that a partition of the island was avoided, even though the Acheson Plan had already received the consent of Athens and Ankara. Was it a coincidence, therefore, that there was renewed strife in 1967, even while Athens and Ankara were engaged in secret negotiations regarding the future of the island? The battleships of the U.S. Sixth Fleet, forming a barrier between Cyprus and the coasts of Anatolia, have always succeeded in preventing the Turks from embarking. For once, however, there

was an exception, and July 1974 was the month of the Turkish embarkation for Cyprus, followed by the unfortunate attempts of the Greek colonels to depose President Makarios. Thanks to the efforts of the Geneva conference, an unsteady cease-fire was arranged, but hostilities resumed in August. Greece, already apprehensive about American tolerance towards Turkey, chose to withdraw from the NATO military organization, while remaining a member of the Atlantic organization, following the example of France in 1964.

If Greece chose not to intervene militarily in Cyprus, it was largely owing to the fact that it lacked the means to do so. Cyprus stands at the gates of the Anatolian coast and the strategic Bay of Iskanderum, while 248 miles separate it from the Dodecanese Islands and nearly 622 miles separate it from Athens. In addition, Turkey has absolute control of the air, a much larger navy than that of the Greeks, and a powerful army of 450,000 men. Greece, on the other hand, only has a standing army of 160,000 men and, in contrast to its "ally" Turkey, has few landing barges. Furthermore, freedom to manoeuvre was extremely limited by the presence at Ismir of the headquarters of the southern flank of the NATO joint air command.

The strategic importance of Turkey for the United States is obviously much greater than that of Greece, which, unlike Turkey, has no common border with the U.S.S.R. The principal strategic role of Greece in NATO is specifically that of defending its own territory, while the major military objectives in the southern sector of the U.S.S.R. are covered by aircraft based in Turkey, in Cyprus, if the British bombers are included, and on board the aircraft carriers of the American Sixth Fleet, veritable floating fortresses. A majority of American strategists were not wrong, therefore, when they drew their conclusions and decided that Greece did not measure up to Turkey.

U.S. facilities in Greece

There is still the question of important United States port facilities in Greece, mainly those at Piraeus and Megara, and the substantial installations at Hellinikon and Lepsis. The use of these facilities is governed by bilateral agreements made between Athens and Washington, and it is as yet not known how Greece's withdrawal from NATO military participation will affect these bilateral arrangements. For its part, Washington is optimistically hoping that the posture taken by Athens is not irreversible and that Greece will eventually

*Turkish military
preponderance
determined Greek
non-intervention*

return to the NATO fold, especially since France appears to be doing so. As far as Turkey is concerned, close attention is being given to the odds. It has no hesitation in letting it be known that the Americans might very well find in Turkey the bases that might be lacking elsewhere. Such an opinion is absolutely valid from the strategic point of view, but it raises the question of sensitive issues on the policy level. Hoping to run with the hare and hunt with the hounds, the United States will probably use every means at its disposal to satisfy both parties at the same time.

The current status of the situation certainly should not lead to the conclusion that all is irretrievably lost. General elections will take place in Greece in November 1974. In the meantime, Turkey might take a more flexible position, and the recent moves for the suspension of military aid to Turkey by the American Congress encourage the belief that the United States has decided to obtain certain concessions from Ankara.

It is not likely that the Greek authorities will favour a re-entry into the military organization of NATO, especially while a large number of military officers hold the reins of government. It appears, therefore, that we are in a transitional period when oblique participation by Greece in NATO is likely. Moreover, there are important problems that have to be dealt with, since Greece sits at the centre of vital communications networks connecting Turkey with the other members of NATO. It also forms part of the new NADGE electronic detection system that guarantees radar cover to all the NATO countries. Unfortunately, this cover was interrupted during the Cyprus hostilities, which left the entire southern flank of NATO unprotected. Delicate negotiations will, therefore, be needed in this area, and it is clear that the United States, before it puts all its eggs in the Turkish basket, will try to persuade Athens to maintain some form of military co-operation with the NATO countries.

Possibility of partition

As for Cyprus, a certain amount of weight must be given to the thesis that the United States would not look unfavourably upon a partitioned island, since the individual parts, in the degree that they were connected with either Greece or Turkey, could constitute bases made available to the United States under the terms of the Atlantic Alliance. It could, of course, be questioned whether the British bases on the island were not already serving this purpose. And if, as some assert, the renewed interest of the Pentagon in Cyprus results from its strategic situation in relation to the Middle East, is there not reason for some misgiving that the island might declare its neutrality in case of a conflict following the pattern of the majority of NATO countries during the crisis of October 1973? The course pursued by Greece is not different, except that it has closed its eyes to the provision of supplies from the American bases.

These arguments in no way deny the strategic importance of the island in the eastern basin of the Mediterranean. Consider, for example, the naval operation conducted against the Syrian ships during the October war. In this sense, Cyprus constitutes an unsurpassable observation post. Moreover, the island represents the principal transit-point between Israel and the Arab world. The stakes, therefore, are considerable, but it is also clear that strategic operations could be carried out from other Mediterranean points, especially from Turkey.

On the whole, the strategic argument that could be advanced to support the hypothesis of total Pentagon and CIA backing for the Cypriot *coup* appear to be neither sufficient nor determinative. In the minds of the Greek leaders, it is probable that the primary objective was to eliminate the neutrality of President Makarios. If this was actually the purpose, then we would certainly have to conclude that it was not worth the effort.

The Minister of National Defence, James Richardson, visited Cyprus early in November during his tour of Canadian peace-keeping operations in the Middle East. When he met with Turkish Cypriot leader Rauf Denktash on November 2, Mr. Richardson is reported to have connected the continuation of Canadian participation in peace-keeping on the island with the need for freedom of movement north of the Greek-Turkish line. Mr. Richardson has

indicated that failure to obtain such freedom in the Turkish zone would probably lead to a reduction of Canadian strength on the island in the near future. Canadian forces on Cyprus were increased to almost 1,000 during this summer's crisis. Any reduction in current strength is expected to occur as personnel become due for rotation after six months service on the island, and is not expected to reduce Canadian strength below the July 1974 level.

*Greece vital
to NATO
communications
with Turkey*

Law of the sea advanced but much remains to be done

New conference rules emerge

By P. A. Lapointe

The third United Nations Conference on the Law of the Sea, which had been more than six years in preparation in the United Nations Seabed Committee, held its first substantive session in Caracas, Venezuela, from June 20 to August 29, 1974. By any definition, be it the number of participating states (148), the number of delegates (well over 2,000), the number of issues or sub-issues (literally hundreds) or its very purpose (the revamping of the whole legal system applying to 70 per cent of the earth's surface, the oceans), this gathering is the most important international conference ever to be convened under the aegis of the United Nations since the United Nations charter conference in San Francisco in 1945. At stake are the rights and obligations of states, singly and jointly, over the immense mineral and living resources of the sea, the preservation of the planet's marine environment, without which life is impossible, and the maintenance and development, through appropriate regulation, of the sea as the most important highway for transport, communication, trade and strategic deployment. Irrespective of its geographical circumstances, of its economic development, of its power, of its alliances, every state has a fundamental interest in the future law of the sea. Were the conference to fail, the world would, at best, be faced with the chaos of competing jurisdictions for many years to come and, at worst, with serious confrontations between users of the sea. Success will mean peace and order on the oceans for generations.

Some observers have claimed, in the light of the conference's inability to adopt a single text, that the Caracas session was a failure. This writer, however, holds the view that the progress that was made in this initial phase was sufficient to warrant optimism regarding the ultimate success of the conference. The following is an attempt to summarize developments at Caracas that support this contention.

The organizational session of the con-

ference, held in New York City in December 1973, had been unsuccessful in reaching agreement on rules of procedure. The main stumbling-block had been the sharp disagreement between, roughly, the developing and the developed countries as to the desirability of retaining the traditional rules for voting, i.e. a simple majority of those present and voting at the committee level and a two-thirds majority of those present and voting at the plenary level. The major maritime powers, as well as minority groupings such as the land-locked and shelf-locked states, were fearful that majorities could too easily and too rapidly be formed around certain sweeping conceptions, such as the 200-mile economic zone, without due account being taken of their important interests in related areas. They insisted, therefore, that, before any voting could take place, all efforts at reaching consensus should have been exhausted.

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*Canadian draft
provided basis
for negotiated
agreement on
conference rule*

A decision is reached by consensus when no one objects to it *formally*; there is still consensus when negative views are put on the record before or after the decision is taken but without a *formal* objection being raised. For their part, the developing countries, although they admitted that the new law of the sea should rally the support of as many states as possible, argued that the conference would never achieve anything if bound by the consensus rule.

Thus the Caracas session was faced with the task of breaking new ground in the field of international conference diplomacy and establishing a precedent that might have a substantial effect on future international decision-making processes. After one week of strenuous efforts, and under the threat of a walk-out by some major powers, the matter was resolved on the basis of a draft proposal initially introduced by the Canadian delegation and relentlessly negotiated by the president of the conference. The package formula can be summarized as follows: a declaration of the president, formally endorsed by the conference, makes clear that decisions of the conference will normally be reached by consensus and that voting will only be resorted to when all efforts at reaching consensus have been exhausted. The rules of procedure themselves, however, do not refer to consensus by name but, through a complex series of delaying procedures, are designed to ensure that everything has been done to achieve general agreement before any vote is taken on substantive issues.

Also of importance is the new rule that requires for a decision on substance in plenary sessions a quorum of two-thirds of the participants in the conference and a two-thirds majority of those present and voting, provided this figure is equivalent to at least a simple majority of all participants. Thus, on the basis of 150 participants, the magic figure for any substantive decision is 76. While these rules have yet to be put to the test (only procedural questions required voting during the Caracas session), it is hoped that they will not be so cumbersome as to stall the conference when the time for decision arrives and that they will truly guarantee that the new law of the sea will have the support of a substantial number of states.

Armed with these new procedures the conference strove to bring nearer agreement on the thousand and one formulations and proposals it inherited from the Seabed Committee. In pursuit of this object, the conference organized itself into three main committees. A brief review of the negotiating and drafting efforts of

these is necessary before considering the main trends and drawing lessons for the future.

First committee

Committee I has as its main function the preparation of draft articles regarding the international seabed area — already declared to be the “common heritage of mankind”. It concentrated its work at Caracas exclusively on the basic legal principles that should regulate exploration and exploitation of the resources of the area (*the regime*). It had no time to develop further the charter of the future International Seabed Authority (*the machinery*). Discussion of the regime focused on three main questions: (a) who should exploit the area; (b) what should be the main legal conditions of exploitation; and (c) what should be the powers of the Authority to prevent this exploitation from seriously affecting land-producers of nickel, copper and cobalt, especially those that are developing countries.

On each of these questions the debate clearly split the conference into two radically opposed factions. The confrontation between the Group of 77 (which numbered 102 at the Law of the Sea Conference and the industrial nations (including the U.S.A., the EEC, the U.S.S.R. and Japan). A handful of countries, including Canada, attempted to stay free of the sometime vehement controversy in the hope of eventually being able to propose less radical compromise formulations. The “77s” would like to see the Authority (a) solely empowered to exploit the area, by itself or with the assistance of others, (b) exercising, with a large degree of discretion, full and direct control of all activities in the area, and (c) having full powers, including production controls, to minimize the possibly serious impact of deep-seabed exploitation on land sources.

The industrialized countries would for their part: (a) leave exploitation primarily to states and corporations; (b) limit the regulatory powers of the Authority by turning the convention itself into a sort of mining code that the Authority would not be able to amend; and (c) prevent the Authority from any interference with price or production controls. Time did not allow compromise solutions to emerge between these highly controversial and technical theses, except regarding the first question (who should exploit?) which Canada attempted to answer by means of a new draft article that may yet form the basis for a generally acceptable solution.

Although these developments fall short

of a clear indication of where the final solution may lie, the very crystallization of views just described is a considerable advance over the situation that prevailed in the preparatory work conducted by the United Nations Seabed Committee. By tabling concrete texts on conditions of exploitation, both the "77s" and the major industrialized countries have succeeded at least in setting the stage for serious negotiation. Without such a development, the committee might have continued for ever its philosophical discussions without coming closer to the practical technical considerations that are at the heart of the issue.

Second committee

Because it deals with all traditional law-of-the-sea matters (territorial sea, straits, fisheries, continental shelf, archipelagos, islands, high seas, navigation, etc.), and especially with the question of the limits of national jurisdiction, Committee II is considered to be the focal point of the entire conference. It is, therefore, encouraging to note that the second committee succeeded during the Caracas session in making giant strides toward a general accommodation. This in no way means that all difficulties have disappeared. But the general framework of the new law of the sea is now clear. Short of a very radical reversal in present trends, which does not appear likely, the rights of coastal states over their off-shore areas will extend to 200 miles for the purpose of exploring and exploiting natural resources, as well as for preventing marine pollution and controlling scientific research. This so-called economic-zone conception has now received such substantial support from all parts of the international community that it is clearly the principle round which the new legal system will be built.

Obviously, the precise nature of coastal states' rights in the economic zone remains to be fully defined. That is what the entire negotiation is about. But, to a surprising degree, the Caracas session witnessed important movement on the part of states — such as the U.S., the Western European states and, to a lesser extent, the socialist states — that previously had taken a conservative view of coastal states' extension of jurisdiction over wide maritime zones. It is also true that the "territorialists" (those states that, like Brazil and Peru, already claim 200-mile territorial seas) are reluctant to accept the economic-zone approach; but their attitude will, in the end, be dictated by the precise extent of the rights to be enjoyed by coastal states within the zone. Also in the balance are the

hesitations of land-locked and shelf-locked states in agreeing to the 200-mile economic zone as long as they have not received guarantees that their interests will be accommodated — for instance, through access to the living resources of their neighbours' zones (a concession that has also gathered much support at Caracas).

The delimitation of the territorial sea at 12 miles should be easy to accept once the economic zone is endorsed. The effect of this extension on international straits, however, is likely to remain one of the most controversial issues. Whereas the doctrine of free transit in straits used for international navigation, as proposed by the United States, the Soviet Union and other major maritime nations, has gained support, but mostly from states with only marginal interests in the matter. The theory that states bordering on international straits should have certain rights to protect their security and environment from transiting vessels under the doctrine of "innocent passage", or a modified version of it, is still very much alive. This second theory is vigorously defended by many states, including some that are placed in such strategic locations as Indonesia and the Philippines in Asia and Spain and Morocco on the Strait of Gibraltar. The establishment of traffic lanes in international straits and the improvement of international standards are obvious ways to facilitate the resolution of this thorny issue. But much remains to be done to arrive at a proper balance between the interests of the world community in as free or unimpeded transit as possible and the interests of coastal states in self-protection.

The question of archipelagos is closely linked to the problem of passage through straits, and thus raises the same difficulties as those discussed above. There developed at Caracas, however, a strong movement favouring recognition of the principle that archipelagic states, provided they met certain criteria, could enclose their total land and sea areas within straight baselines. It was also proposed that archipelagos be grouped in three categories: (1) archipelagic states wholly composed of islands; (2) archipelagos that are fringes of islands along a coast, as was recognized in the Fisheries Case to the benefit of Norway; and (3) off-lying archipelagos, such as the Canadian Arctic or the Andaman and Nicobar Islands in the Indian Ocean. All three categories should be empowered to take advantage of the straight-baseline system. In order to avoid extreme applications of the rule in cases where groups of islands, for instance in the Pacific, are scattered over thousands of

Endorsement of economic zone will lead to easy acceptance of 12 mile sea

Move to accept straight baselines for archipelagic land-sea areas



Canada Wide photo

Sovereignty over territorial waters means the exercise of controls. Much of the responsibility in this area falls upon the

Canadian Armed Forces. Curtailment of sovereignty flights has been a recent political issue.

miles, certain limiting factors (such as length of baselines or land-water ratio) would have to be taken into consideration. It is on this latter aspect that negotiations will focus at the next session.

There is also a strong current of opinion in favour of treating islands in the same manner as continental mainlands — i.e., granting them a territorial sea and an economic zone. Such treatment, however, raises two separate issues that will require further consideration: First, when islands affect the delimitation of jurisdictional areas between two states, should they be given full weight or should special circumstances or questions of equity be the overruling factor? Secondly, should isolated islands in the middle of the ocean, which are in some cases no more than rocks, be given a 200-mile economic zone? (The area of a circle with a 200-mile radius equals 125,000 square miles.) Extreme as this might be at first glance, one should not, however, underestimate the very practical difficulty of drawing the line between those islands that might justifiably rate an economic zone and others that might not. Also in question is the desirability of automatically depriving a small island of an opportunity to improve its economic lot, particularly where the land territory is practically non-existent, simply because it is small.

As already mentioned, the conference may be on the verge of a breakthrough with respect to the long-standing problems associated with land-locked countries. Basically, there are two recent developments that have contributed to the treatment of this troublesome issue with a greater sense of urgency and in a more positive fashion. The first reason is that

the radically new conception of the "common heritage of mankind" now being applied to the international seabed area obviously implies that land-locked states should enjoy, on an equal footing with all other states, the benefits of this new-found wealth. The second reason stems from the fact that Africa includes 14 land-locked states, which thus constitute an important factor in intra-African politics that conditions the attitude of the African group as a whole. As a result, the theory has emerged that land-locked states should have recognized rights of access to the sea and even equal rights as regards fishing in the economic zones of their neighbours. Such rights, however, are likely to be granted only to *developing* land-locked states and only in respect of the neighbouring countries of the same geographical area. Nevertheless, this situation is a far cry from the virtual vacuum that has existed so far in international law.

Third committee

Of the three questions within the mandate of Committee III, only two were the subject of substantial discussion and negotiation: the protection of the marine environment and the control of scientific research. The problem of transfer of technology in favour of developing countries was discussed only perfunctorily, and did not give rise to anything more than pious formulations of support for the basic principle.

As to the protection of the marine environment, it became apparent that a large number of delegations favoured the elaboration of a general treaty covering all sources of sea-pollution, with the understanding that more limited conventions

bearing on technical issues, whether they were already in existence or had yet to be formulated, remained necessary. The committee therefore undertook the drafting of general principles to be included in such a treaty and succeeded in giving provisional approval to the following:

- (a) All states have the obligation to protect and preserve the marine environment.
- (b) States have sovereign rights with respect to the exploitation of their resources, in accordance with their national policies concerning the protection of the environment and in the light of their obligation to protect the marine environment.
- (c) States must ensure that their activities within their respective territories do not cause pollution beyond the limits of their national jurisdiction.
- (d) States must co-operate both internationally and regionally to promote the adoption of norms and regulations to combat pollution of the oceans.

However, time did not permit a consensus on some of the most controversial aspects of the future treaty. These include the respective rights of coastal states and flag states for the adoption and enforcement of anti-pollution standards in the economic zone, the sovereign immunity of warships, settlement of dispute procedures, compensation for damages and the right of intervention.

Concerning scientific research, the committee made some progress on the general principles that should govern and encourage research, as well as on the desirability of international co-operation, including exchange and publication of findings. But there remains the more difficult issue of the extent of the powers of coastal states to control scientific research within the economic zone. Total freedom is a "non-starter", and simple notification by the research state does not seem to go far enough in allaying the legitimate concerns of coastal states from an economic and security point of view. There are indications that the solution may lie in the coastal state being given a greater voice and participation in any research through imposing on the research state a number of conditions that would have to be met before agreement was given to research activities.

Other factors

The above description of some of the most important developments at Caracas should

of itself justify a reasonably optimistic conclusion. But there was actually much more to this last session than appears in its records or transpired in its public debates. Real negotiation does not take place in the formal atmosphere of public sessions. It is also a fact of international life that the beginning of a negotiation is nearly always marked by the identification of widely-divergent views, the middle ground being occupied only later in the process. Behind the scenes at Caracas, in numerous informal working groups called together by individual delegations or under the banner of regional or special interests, much work was done. The results of these efforts did not all find their way to the table of the conference, but they are known to most countries and have already started to affect their positions.

A working group on fisheries, organized and chaired by Canada, has made substantial progress in reconciling coastal-states rights within the economic zone with the interests of long-distance-fishing nations. The draft articles this working group has developed, even though they have yet to be formally presented to the conference and will undoubtedly be further refined, are already being given sympathetic consideration by the more conservative elements at the conference. Another informal group has been brought together by Dr. Jens Evensen, the Norwegian Minister of Commerce and Shipping, in an attempt to reach a general accommodation of interests within the informal atmosphere of a small gathering (25) of experts who are acting in their personal capacity. Such developments may well constitute the key to the whole conference.

Canada and the conference

Canada has numerous reasons to be generally satisfied with the results and trends of the first session of the Law of the Sea Conference. The Canadian delegation entered this negotiation with three basic objectives:

- (1) *The economic zone*: Coastal states should obtain substantially increased rights with respect to their off-shore resources, the protection of the marine environment and the control of scientific research.
- (2) *Rational management of the oceans*: The traditional *laissez-faire* policies should be replaced by general notions of rational use, without necessarily or unduly infringing freedom of navigation.
- (3) *Common heritage of mankind*: The international seabed area

Behind the scenes negotiations beginning to affect adopted positions

should be of benefit to all and submitted to the control of a powerful new international body.

These three notions, which would have been regarded as Utopian but a few years ago, have now been accepted by a large majority of states. Canada can take some pride from the fact that it was among the first to put forward these ideas, both before the United Nations Seabed Committee and, in a more practical way, through its own legislation for the Arctic and the special areas around its coasts, such as the Gulf of St. Lawrence.

In practice, therefore, Canada can be confident that its objectives, particularly as regards resources, will be attained. However, there are four main areas of difficulty which will continue to require much time and effort:

- (a) *Anadromous species*: Salmon, because of its special life-cycle, does not lend itself to proper management and exploitation within a 200-mile zone. This bio-economic fact is now better understood by participants at the conference, but there remain strong objections to recognizing special rights to the states of origin beyond 200 miles.
- (b) *Continental margin*: Again, a 200-mile economic zone would deprive Canada of its acquired rights over the mineral resources of its continental margin beyond 200 miles. This is particularly significant off Canada's east coast, where the margin extends in some places to 600 miles.
- (c) *Control over pollution*: There exist along Canada's northern and eastern shores specially sensitive environmental conditions and natural obstacles to navigation (ice) that warrant the adoption of standards higher than existing international rules. There are sharp differences of view on this subject within the conference.
- (d) *The Passage*: Canada's control over the waters of the Northwest Passage must be maintained. The Passage is not a strait that has customarily been used for international navigation.

It should be evident that the first substantive session of the conference succeeded in making progress on a number of basic issues and in identifying more clearly the parameters of the eventual solution. It should also be obvious that much remains to be done before complete success is achieved. What seems to be important at

this stage is to keep the momentum developed towards the end of the Caracas session and pursue the real negotiating process that has been initiated. All concerned knew that the Caracas session would have to devote a rather long period to educating the 60-odd countries that had never been involved in the preparatory work leading to the conference. That time is now over. It is essential that, before the next session, scheduled for Geneva from March 17 to May 10, 1975, consultations and negotiations proceed among the many informal groups already in existence, as well as bilaterally and regionally. Canada is itself committed to such contacts. Equally important, governments must avoid actions that might compromise the spirit of negotiations. Threats of unilateral action are among those political moves that might jeopardize the whole process.

As to the substance of the issues, the accent should continue to be put on the desirability of treating the law of the sea as a whole, of stressing the interrelations of all questions, of striving towards a package that will rally the great majority of nations. Without such an approach, it would be too easy to adopt, presumably by voting, piecemeal solutions that would benefit neither winners nor losers.

In many cases, particularly where major confrontations exist — e.g., on the passage-through-straits issue or with respect to the international seabed area — the middle ground has yet to be occupied by reasonable, workable proposals. There has to be a middle term between full national control and no controls at all. There has to be something in between too idealistic an internationalism and free enterprise. In others cases, e.g. islands, the conference cannot be expected to solve bilateral issues that only the parties concerned can solve. In such cases, general guidelines that can be interpreted in the light of special circumstances will be all the conference can usefully achieve.

As had been foreseen for Caracas, expectations should not be raised too high as to the chances of the Geneva session terminating the task. In all likelihood, a further session, and perhaps more, will be necessary. The vital interests of 148 sovereign countries are at stake. Each country's interests are to some extent special and each country has one voice. Traditional alliances are of little importance in the law-of-the-sea context. Geography and economics are what count. It will take time, but peace and order on the oceans and the safeguarding of the world's environment merit careful consideration.

Caracas has pointed the way.

Canadian
objectives
gain acceptance

Success in
identifying
parameters
of solution

Time-lag could jeopardize progress toward law of the sea

By Barry Buzan

The first substantive session of the third UN Conference on the Law of the Sea met in Caracas for ten weeks this summer. The session was the second of at least four such meetings (but more likely five, and possibly more). Their purpose is to bridge the gulf between the rambling deliberations of the Seabed Committee and the precisely-worded articles necessary for a comprehensive new convention on the law of the sea. The conference is aiming for a "package deal" convention that will provide a legal framework for the many interrelated issues on its agenda. These include, among other things: fishing and fish-conservation rights, especially in waters adjacent to states; mining rights on the continental shelf and on the deep seabed; navigation rights through straits and coastal zones; rights to environmental management, particularly pollution-control; and rights to conduct marine research. The central problem on nearly all these issues is to resolve the demands for control over activities, whether by coastal states or by international organizations, with the demands for freedom of action made by traditional or potential users of the oceans.

A look at the Caracas session raises three questions. First, what progress did the conference make on the substantive issues before it? Second, what groups or alliances emerged as key players in the proceedings? Third, what was the Canadian role at the session, and how did Canadian interests fare? The answers to these questions require, of course, some assessment of the significance of the events at Caracas for the successful continuation of the negotiations.

Progress on substance was the most acute problem of the conference. While nobody expected that the Caracas session would produce even as much as a full draft convention, many went into the meeting with hopes that at least some acceptable articles on the major issues would be drafted. The Americans, in particular, made explicit their demands along these lines before and during the session. They,

and others, argued that some such visible progress was necessary to prove both the good faith of the delegations and the viability of the multilateral negotiating process as a method of achieving a new law of the sea. A repetition of the educational but indecisive debates of the Seabed Committee would not be acceptable to them.

Optimism declined then returned

Hopes for rapid progress were given a boost early in the proceedings by the agreement on rules of procedure that was reached within the one-week deadline, and that reflected a widespread willingness to make meaningful compromises. This initial optimism declined rapidly in the face of several weeks of general statements, and was replaced, especially among the developed countries, by a growing pessimism. There was particular concern over the lack of position-trading between issues, since such trading would be an essential part of any move towards a package deal. In the last two weeks, however, there was an important change in mood. It was clear by that time that no acceptable draft articles would be produced, but it was also clear that a great amount of necessary work had been done, and that important progress had been made towards facilitating con-

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crete negotiation. The 50 states that had not participated in the work of the Seabed Committee had been brought into the negotiation and given an opportunity to state their positions. In addition, many issues and positions were defined much more clearly than they had been before, and much documentation was prepared to fill in the gaps left by the Seabed Committee. While there was still some feeling that certain countries, mostly Latin American, were deliberately using filibuster tactics to slow down the negotiations, there was a widespread sentiment that initial expectations of what the session should achieve had been over-inflated. Given the unprecedented complexities of a negotiation covering so many issues, and involving so many states, expectations had to be adjusted to match what proved possible in practice.

But the question remains whether or not governments will accept the enthusiasm of their delegates for the results of Caracas. The final documents of the session did not commit anyone to anything, which means that, in the six-month interval before the next session in Geneva, governments are free to change their positions in response to either whim or circumstance. This lack of commitment to what was achieved at Caracas leaves the whole negotiation dangerously vulnerable to the impact of events in the inter-session period.

Such impact could come from changes in external, but related, issues (like oil-supply or commodity prices), or it could come as a result of changes in perception engendered by the conference itself. In either case, the danger could come from one of two directions. Governments may feel that the trend of the negotiations is moving strongly in their favour, and thus be inclined to raise demands or to back away from previously-accepted compromises. In this case, they may even decide to act unilaterally, either to encourage the trend or because of impatience with the slowness of multilateral law-making. On the other hand, they may feel that the trend is going against their position, and so be inclined to take unilateral action as a last line of defence.

Most likely to raise demands are the "territorialists", a group of Latin American and African countries that have already claimed a full territorial sea out to 200 miles. These may view the trend of the conference as being in their favour, and therefore be unwilling to consider compromises aimed towards an economic zone of some sort. Some of their optimism may be due to the possibility of a number of African coastal states taking unilateral

action towards a 200-mile territorial sea. These states may interpret the conference as inclining towards a much weaker version of the economic zone than they are willing to accept, and consequently may resort to unilateral action to preserve what they see as their rights. Perhaps the most disturbing possibility of unilateral action comes from the United States. The U.S. delegation was among those least satisfied with the Caracas session, and the American coastal-fisheries industry has mounted a strong campaign in Congress for unilateral declaration of a 200-mile fishing zone. Norway may have started the ball rolling in this direction by its declaration of a 50-mile fishing-zone less than a month after the end of the session.

The success of the Geneva session will depend very largely on how states choose to use the inter-session period. If they use it to continue informally the line of negotiation begun at Caracas (and there are some signs that this is happening), or if they treat it simply as a break and take no action, then the Geneva session has a fair chance. If they use it to move away from the conference forum, then the Geneva session will not be able to pick up where the Caracas session started, and the whole international negotiating process would be likely to suffer a severe loss of momentum. The delicate balance between multilateralism and unilateralism, a balance left ever more precariously poised by the Caracas session, would be upset, and the way would be open to a flood of reactive unilateral claims.

Emergence of groups

Equally important to developments on matters of substance was the role played at Caracas by the numerous formal and informal groups that have emerged as key players in the law of the sea negotiations. The conference is often characterized as being split between the developed countries on one side and the developing countries on the other. While this interpretation is true for a limited number of issues, it is certainly not true for all issues, and may not even represent the most important alignment at the conference. It should be noted that, while more than 100 developing countries use the Group of 77 as a negotiating forum, there is no sign of any equivalent group encompassing a majority of the developed states.

The groups at Caracas fell into three general categories. First, were the regional-political groups, all of which have a well-established existence outside the law of the sea negotiations. The most active of these were the Group of 77, the African

*No commitments
accepted
by governments
at Caracas*



Canada Wide photo

Harvesting the sea and protecting its renewable resources are among the issues of primary concern in formulating an

acceptable law of the sea. The interests of Canadian fishermen on the Atlantic and the Pacific will be affected by the outcome.

group (41 members of the Organization of African Unity), the Latin American group (25 states), the EEC members (nine states), and the East European group (a core of nine states). The Arab group (18 members of the Arab League) showed some signs of independent activity, but had the problem of overlapping heavily with the Africans. The United States, as one American delegate jokingly observed, did not belong to any regional-political group but contained so many divergent interests within its large delegation that it deserved to be considered as a group in its own right. There was no sign of any unified Asian group.

Second were the geographical groups, which are specific to the law of the sea negotiations, and which, as their name implies, are built around possession of a common geographical attribute. By their nature, these groups encompass memberships that overlap the boundaries of the

older regional-political groups. Two geographical groups, the coastal-state group and the landlocked and geographically-disadvantaged state group, rank with the Group of 77 in their importance to the work of the conference. Both date back to the Seabed Committee, and both represent alignments of states whose geographical heritage leads them to opposite positions on many key law-of-the-sea issues.

The coastal-state group consists of about 25 states, half of which might be considered core members and half peripheral members whose interest varies with the issue under consideration. The group is dominated by middle-power states like Canada, Australia, Norway, Britain, India, Chile and Mexico, all of which have a large stake in establishing their own control over the extensive maritime areas off their coasts. The group very definitely crosses developed-developing lines, and to a certain extent tries to act as a bridge between

Geographical heritage leads to formation of opposing groups

the claims of the territorialists on the one side and the demands of the maritime powers on the other. The coastal-state group constitutes the prime focus of Canada's multilateral activity in the law of the sea negotiations.

The landlocked and geographically-disadvantaged state group has about 50 members, half landlocked states and half coastal states which for geographical reasons are unable to extend their boundaries to anywhere near 200 miles. Austria, Belgium, Luxembourg, the Netherlands, Bolivia, Paraguay, Botswana, Lesotho, Uganda, Upper Volta, Zambia, Laos and Singapore were the most active members of this group at Caracas, and like the coastal-state group their alignment cut deeply across developed-developing and regional-political group lines. These states found a strong common bond in their desire to preserve something for themselves amidst the general rush to extend coastal-state jurisdiction. They opposed the trend towards exclusive coastal-state rights to resources in a broad zone, and argued instead for regional economic zones benefiting all states of an area, or at least for firm rights for themselves individually to share in the resource zones of their more fortunate coastal neighbours. Several of them also mounted a spirited defence of the common heritage of mankind against the encroachments of states bordering on open ocean.

The only other geographical group visibly active at Caracas was the archipelagic states (Fiji, Indonesia, Mauritius, the Philippines), which have been prominent for several years in defence of their special claim to the waters separating their component islands. There were some indications that this group was merging its fortunes with the coastal-state group. Other potential geographical alignments, such as straits states and states with common problems relating to islands (other than archipelagos), did not coalesce into active groups at Caracas.

The third type of group at the conference might be described as functional, relating to alignments of states on the basis of a common maritime activity. These groups, like the geographical ones, are also specific to the law of the sea negotiations. In practice, functional groups either did not emerge, as in the case of distant-water fishing states, or maintained an extremely low profile, like the shipping states group. In the negotiation as a whole, specific functional interests as a basis for alignment appear to have been either upstaged or absorbed by the more broadly based geographical groups and the more

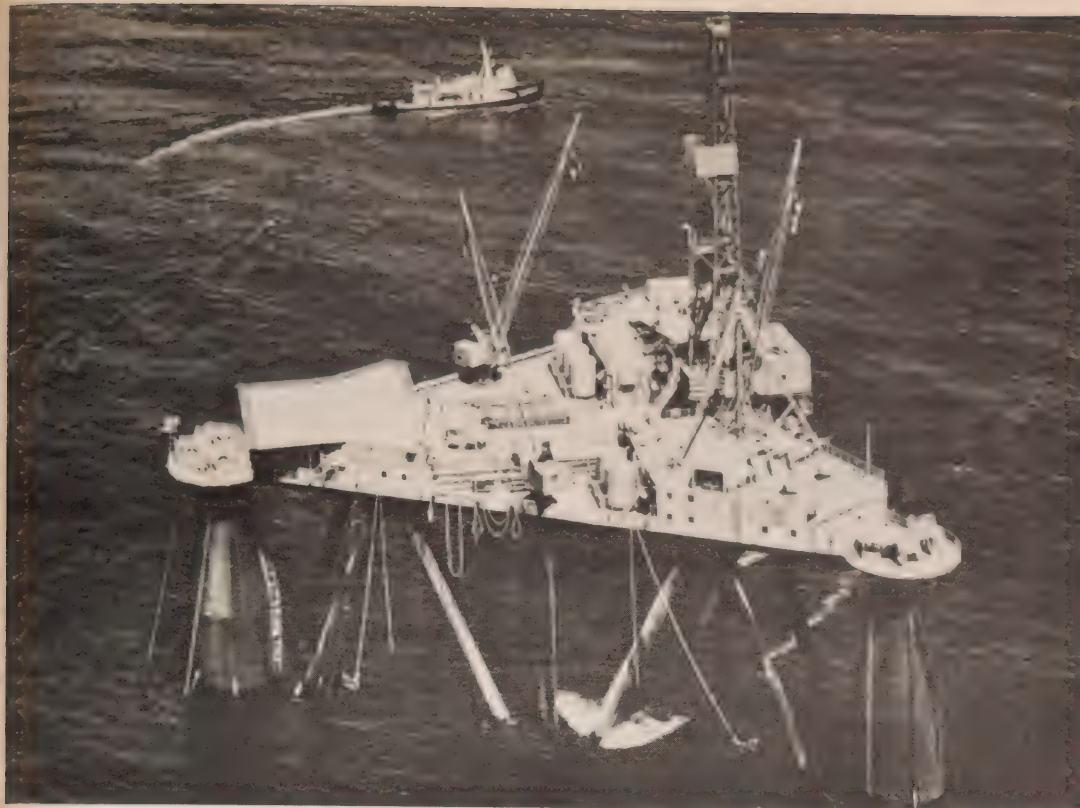
familiar regional-political groups.

These various groups form one of the most important elements of the law of the sea negotiations. Much of the vital bargaining goes on within them, and they are responsible for many of the most important sets of draft articles submitted to the conference. Members of the coastal-state group, for example, produced an integrated set of draft articles on the territorial sea, archipelagos, the economic zone, and the continental shelf, and another set on the preservation of the marine environment. Twenty-one members of the landlocked and geographically-disadvantaged group presented, among other things, draft articles on their right to participate in exploitation of both the living and the non-living resources of the economic zones of their coastal neighbours. While many states support their claim to participate in fishing there is strong opposition to the idea of sharing continental-shelf resources (primarily oil). This could become a major area of contention. The Group of 77, for its part, achieved a notable, and previously unattainable, unanimity on the twin issues of who should exploit the deep seabed, and under what conditions. Many of these groups will continue their activity in the months leading up to the Geneva session, and it can be expected that they will play an increasingly important role as the conference moves closer to achieving a new law of the sea convention.

Canadian delegation effective

Canada, as noted above, concentrated its multilateral activity in the coastal-state group. The Canadian delegation played a leading role in this group and, indeed, was widely regarded as one of the most effective delegations at the conference. The common interests of coastal states carried Canada away from its traditional European-American diplomatic orientation and placed it prominently in a very mixed consortium of developed and developing states. This alignment provided a relatively broad foundation from which the Canadian delegation could present and negotiate its case for firm coastal-state management over a wide area of adjacent sea. In particular, Canada found support among like-minded coastal states for its position on coastal-state control over: fisheries out to 200 miles (with the possibility of provisions for landlocked and geographically-disadvantaged states); the seabed out to 200 miles or to the margin (whichever is greater); archipelagic waters, whether coastal or oceanic; a 12-mile maximum territorial sea (assuming a much broader jurisdiction for economic and other

Landlocked states promote common heritage concept



Canada Wide Photo

A recent ingredient in the law of the sea equation has been the discovery of offshore oil resources and the development of

techniques for their extraction. This oil-rig is off Vancouver Island.

functions); some key aspects of environmental management and pollution control within the economic zone; and, to a lesser extent, the right of scientific research within the economic zone.

None of these claims, however, stands unchallenged. The fishing-zone is opposed by many distant-water-fishing states. The continental-margin claim is opposed by many landlocked or geographically-disadvantaged states, and most African countries. The territorial-sea maximum of 12 miles is opposed by the Latin American and African countries that have broader claims. The coastal-state control over ship-generated pollution is opposed by many shipping states. And control over scientific research is opposed by the U.S., the U.S.S.R. and several other developed states with marine science and defence interests.

On several other issues, Canada made its stand alone. In Committee I, it refused to join either the loose group of developed countries or the Group of 77 and allies. Instead of joining sides in the highly-polarized confrontation, Canada chose to occupy some of the middle ground between them, and thereby to encourage a compromise. On the issue of straits, Canada argued that the conception of traditional use should be included in the definition. Such an inclusion would sup-

port its case for maintaining Canadian control over the Northwest Passage. On the question of salmon, Canada argued strongly for the rights of the state of origin. This position found considerable support, especially from the U.S., but also excited substantial opposition from distant-water-fishing, landlocked, and geographically-disadvantaged states.

In summary, the Canadian position as a result of Caracas parallels the position of the conference as a whole. The session produced important clarifications of policy and substantial progress in alliance-building, but both of these accomplishments are at risk during the months leading up to Geneva. The coastal-state group is vulnerable to the temptations of territorialism, which could entice many of its members away from the more moderate zonal-functional approach espoused by Canada toward the more intractable position of a 200-mile territorial sea. Canada's carefully achieved position in the negotiations could also be undermined by outbreaks of unilateral action in other quarters, especially the United States.

The Caracas session was only an interim stage in the much longer law of the sea negotiations, and at this point the outlook can only be described as a maze of possibilities. We can only wait and see.

Unilateral actions would undermine Canada's position

Benefits of hockey diplomacy assure another series in '76

By Scott Young

For all that has been said and written in a negative way about both of the hockey summit meetings between the world's two great hockey-playing nations, I prefer a memory of my own. It was late at night and I was just leaving the Intourist Hotel on Gorki Street in Moscow, where we had been dining. It was only a short way to our own hotel, the Rossiya, but my wife, on a cane from a hip operation, could not walk that far. A knot of cab drivers talked among themselves at the curb a few yards from the broad entrance steps of the Intourist. At night in Moscow it is a good idea to settle on a fare before the trip begins — there are meters in most cabs, but at night there seems general agreement that drivers should charge whatever the traffic will bear.

I approached the cabbies. "Gost-EENEetsa Rossiya," I said, meaning Hotel Rossiya (all these spellings are phonetic, with the accent where I have used capitals). "SkOlko?" Meaning, how much?

In daytime, by meter, it would be a few dozen kopecks — 75 cents or so, even though the route was circuitous because of one-way streets in the Red Square area between the two hotels.

One driver, with a little grin: "DYEsyat!" Ten roubles. I told him he was crazy and turned to another. "Dva," this one said, meaning two — reasonable enough by Canadian standards, but few Russians would have stood for it. I held up one finger. They all shook their heads. Not for one rouble. It was all quite good-natured until one man, not smiling, said "Russian hockey!" and jabbed his thumb high in the air. "KanAda hockey!" He

turned the thumb down, and glared at me.

I shook my head. Several repeated what the man had said. Then I said "KanAda hockey," and put my thumb in the air to a chorus of "Nyet!" that ceased abruptly when I added "Russian hockey!" and put my thumb in the air again.

A man at the edge of the group grinned. "GostEENEetsa Rossiya," he said immediately, "OadEEn." One rouble to the Rossiya. That was his response to my thumbs-up for both our forms of hockey.

That reaction, I am convinced, is the most prevalent one in both our nations. Why? I am reminded of a book called *Games, Sport and Power*, edited by University of Minnesota sociologist Gregory P. Stone and published in the Rutgers University's Transaction series. It examines in a collection of essays the role of games as . . . what? Play? Sport? Power? Or simply non-verbal communication? In one essay there is a quotation from the eminent anthropologist Bronislaw Malinowski: "We find magic wherever the elements of chance and accident, and the emotional play between hope and fear, have a wide and extensive range. We do not find magic where the pursuit is certain, reliable and well under the control of rational methods."

That is not too strong a word, magic, to apply to the basis of the emotion that grips both the Soviet Union and Canada when we meet at hockey.

Magic? I think of the minutes following the first game of the series, in Quebec, when Canada outplayed the Russians in a game that ended 3-3. Johnny McKenzie, one of the toughest and most dedicated Canadian players, sat in the dressing-room and said the Soviet team was maybe the best 20-man team he had seen, ever; meaning that he ranked them above the Stanley Cup champion Boston Bruins he had played for a few years earlier. The importance of this statement is only realized when one remembers that 22 years earlier, with Gordie Howe of Team Canada 1974 then already an established star in the

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National Hockey League, the Russian national team of the time wore no hockey gloves, had knee and elbow pads made from cotton wads, used soccer shin pads, and skated on the long blades of speed skates because, as the famous Soviet coach Anatoli Tarasov once wrote, "we used the only skates we had." At that time they did not have even one indoor artificial-ice rink. In the spring, when ice got slushy as soon as the sun came up, they would start their practices at three or four in the morning. Then the ice was hard. "We really came to despise the hot summer sun," Tarasov wrote.

If the Soviets had done what they have done in hockey since, and we were involved only as distant spectators, there would be no bounds to our admiration for their achievements. In fact, that romance content is still the basis for much of the emotion, in both nations, when we meet on the ice. Soviet fans, officials and players are proud of the string of world and Olympic championships they won in the 1960s. Until 1972, Canadians were able to pooh-pooh these victories by arguing that we had never sent our best against them. That year, when we did send our best — and were beaten three times and tied once in the first five games of the series —, Canadians turned against their own team's rough-play tactics, admired the Russian mastery of the game's fundamentals, and said so even when Canada won the last three games and the series. Still, that 1972 meeting caused a profound change of attitude as we prepared for 1974's encounters. The Canadian coach, Bill Harris, working with a team not considered to be as strong as the 1972 group, asked his players at one point to try to go through the entire eight games without a penalty. He wanted a change of image. For a time, this aim seemed attainable. Canada played relatively clean hockey in the first four games in Canada, tying 3-3 in Quebec and 5-5 in Vancouver, winning 4-1 in Toronto, and losing 8-5 in Winnipeg. But Canada outplayed the Russians in three of those games, and should have won them all; and in the Winnipeg game several Canadian stars were not dressed as Harris conscientiously fulfilled his commitment to play every one of his 26 players.

No disgrace

It is really too easy to make excuses for what happened in the final four games in Moscow — too easy, because the excuses are valid enough but in sport it is mainly the final scores that are remembered. It should be recognized, however, that the scores in Moscow were no disgrace: 3-2 for

the Soviets in the first game, 5-2 in the second, 4-4 in the third, and 3-2 again in the fourth.

Unfortunately, the one play that put its stamp on the entire series was not concerned with hockey so much as with Canadian frustration. That was at the end of the 5-2 game, Game Six of the series. Canadian Rick Ley had been jousting with the Soviet star Valeri Kharlamov for the last minute of the game. Kharlamov is very skilled at taking breakaway passes, and was hanging around the centre red line and sometimes around the Canadian blue line, waiting for such a pass. Ley did his job, refusing to let Kharlamov get set harrying him, taking high sticks and cross-checks in return. Ley's back was to Kharlamov when a Klaxon horn ended the game — and Kharlamov reached out to touch the Canadian with his stick, then laughed in his face. Ley threw off his gloves and attacked, knocking Kharlamov to the ice and cutting his forehead with one of his punches.

I don't think it is overstating the case to say that Ley's frustration went much deeper than merely Kharlamov's mockery. The chaos in the Moscow airport the night the Canadian team arrived from Finland caused the Canadians to miss a chance to practice that night as scheduled on the ice at the Luzhniki Arena, their only chance to get used to the wider ice-surface, the reaction of pucks coming off the boards, a sort of inside-hockey familiarization with the field of play. To have to go out the next night and play without such familiarization could be compared to asking a surgeon to work with unfamiliar instruments in an operating-room he was using for the first time.

Then there were bad hotel accommodations and bad seats in the Arenas, which the players themselves might not have minded but their wives and families did. There was bad refereeing, including flagrant misconduct calls against two of the cleanest Canadian plays, Bruce MacGregor and Ralph Backstrom — both of whom were fouled openly and drew their misconducts not for what they had done in the heat of play but for protesting that the referees had not called the fouls committed against them. None of that, however, was counted in the storm of protest against Rick Ley and Canada that was printed in Moscow newspapers and echoed at home in, of all the most unlikely hockey battlegrounds, the Senate of Canada.

The Ottawa Senators

Senator John M. Godfrey of Toronto did not see the game that ended the Ley-

Kharlamov fight, even on television. But on the night of October 8, the series completed, he rose to his feet in the Senate. Taking the high ground at once, he said he had hoped and expected that Canadians in this series "would remember they were representing their country, and that it was of vital importance that every one of them behave in a sportsmanlike fashion".

He spoke on in what the Canadian Press news service described as a "hushed" Senate: "As a Canadian, I am ashamed of the conduct of Rick Ley, who brutally and without provocation attacked one of the stars of the Russian team after the game had ended in defeat for the Canadians...". He said Ley "by his inexcusable conduct... unjustifiably damaged in the eyes of the world the reputation of Canada". He called Ley a disgrace, childish, unsportsmanlike, outrageous, stupid and said his conduct was that of a "hooligan". He was answered hotly the same night by Senator Sidney Buckwold of Saskatoon; and a week later was attacked again by Senators Joseph Sullivan of Toronto and R. F. Norrie of Truro, Nova Scotia. So in the Senate it was, in effect, 3-1 in favour of Team Canada and Rick Ley. But in the four Senate speeches you could see the two great opposing views about hockey, in Canada — in a sense, a distillation of the "magic" mentioned by Bronislaw Malinow-

ski... "wherever the elements of chance and accident, and the emotional play between hope and fear, have a wide and extensive range".

It is this that will ensure yet another Canada-Soviet hockey series, probably in 1976, and later another and another — each with more widespread understanding that, in hockey, the Canadians are not always the bad guys and the Russians the good guys. There will be better refereeing. Guarantees will be insisted upon that Canadians are as well treated in Moscow as Russians are in Canada. Canadians will come to understand that Russian players do play dirty hockey on occasion and should fairly share the blame when games degenerate into a form of warfare.

It is a hard, sometimes brutal, game. The Russians will accept any political benefits that come along through our transgressions being more open to the eye than theirs — but they will not want to see the games abandoned. Their now-famous line that cowards do not play hockey cuts both ways; they admire our non-cowards as much as we admire theirs. The taxi driver who responded so readily to my thumbs-up sign for both Soviet and Canadian hockey represents, to me, the true state of hockey relations between our two countries — the one that will persist.



Liberation movements provide structure for emerging states

By John S. Saul

The liberation movements in Portugal's African colonies have now come close to destroying Portugal's brutal and outdated colonial presence in Africa. The *coup* in Portugal of April 25 and its aftermath have been the immediate triggers for decolonization, of course, but no one can seriously doubt that the *coup* itself was first and foremost the achievement of the freedom-fighters of Guinea-Bissau, Mozambique and Angola. For the observer, there are two clear and important lessons to be learned from the study of these movements and of their achievements — though previous experience suggests that these are lessons that it will prove particularly difficult for Canadian policy-makers fully to appreciate.

One such lesson is that violence, undertaken reluctantly but resolutely by the movements in the three territories, has been an absolutely necessary precondition for the freeing of the African people there. This demonstrates the shallowness of much of the conventional rhetoric of official Canadian spokesmen when they have preached to Africans the virtues of patience and "peaceful solutions"; such rhetoric is revealed to be merely a conservative attempt to deny to the African population in southern Africa the sole method left to them by intransigent whites for advancing their cause. Secondly, these movements have done more than merely demonstrate that such wars of liberation are militarily

effective. It has become increasingly obvious in the liberated areas of Guinea-Bissau, Mozambique and Angola that they are also part of a broader process of popular mobilization and involvement that can serve dramatically to redefine the approach to the problem of underdevelopment in the African context. In the heat of guerilla warfare, virtual social revolutions have begun, revolutions with the promise of a radical alternative to the more conventional "paths to development" that have proven so grotesquely unsuccessful in most parts of now independent Africa.

Space permits only the briefest documentation of these assertions here, though there is a growing body of literature that can serve to bear them out. Take first the case of the Partido Africano da Independencia da Guiné e Cabo Verde (PAIGC) and the now independent Republic of Guinea-Bissau. The PAIGC was first organized in 1956 under the leadership of Amilcar Cabral, a Cape Verdean trained as an agronomist in Lisbon. Despairing in its search for a peaceful path to independence after the 1959 Portuguese massacre of 50 striking dock-workers at Píguiti, the movement readied itself for military action by first developing an efficient organization mobilizing popular support through clandestine political work, and establishing firm international contacts. When guerilla action began in 1963 with the opening-up of fronts in the south and north, the situation was ripe; by 1965, half of Guinea-Bissau could be considered part of the liberated area. In 1966, a third front was opened in the east and, by 1973, despite the increase in Portuguese troops on the ground to 35,000, the PAIGC guerillas had obtained effective control of 80 per cent of the territory.

They were so strong, in fact, that they could withstand even the assassination of the brilliant strategist and theoretician Cabral early in 1973 by Portuguese-sponsored infiltrators of the movement. Twelve years of patient political work by

*Violence seen
as precondition
of free Africa*



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PAIGC in the rural areas of the country, organizing village and sector committees to manage local affairs, had produced an active mass base for the movement, a reality that culminated in the emergence of a workable nation-wide system of popularly-elected regional assemblies and a National Assembly. Already, in 1972, PAIGC sector committees were able to register tens of thousands of voters and, in a series of elections, popular representatives were chosen to the National Assembly. It was these representatives that adopted a constitution, elected a Council of State and, on September 24, 1973, declared Guinea-Bissau an independent and sovereign state. Soon over 80 countries (not including Canada) had recognized the new republic.

Guinea-Bissau recognized

Ultimately, in September of this year, the leaders of post-*coup* Portugal also accepted the reality of a free Guinea-Bissau and ceded the remaining urban areas to the PAIGC. Guinea-Bissau was admitted to the United Nations, and even Canada was finally moved to grant recognition. Only one piece of unfinished business remains — the future of the Cape Verde Islands, for whose freedom the PAIGC (as its name indicates) has also been fighting. For the moment, the Portuguese seem to be accommodating PAIGC on this issue, allowing the movement to organize support on the islands for elections or for a referendum on the issue some time next year. It is true that the Cape Verde Islands are of strategic significance — with certain NATO installations and with air facilities that service South African commercial flights — and any shift to the right in Portugal might yet jeopardize a smooth transition to PAIGC control. But for the moment it seems most likely that PAIGC will successfully carry to the islands its profoundly democratic resolution to the problem of Portuguese colonialism.

Equally dramatic progress has been made in Mozambique. There, the Frente da Libertacao de Moçambique (FRELIMO) represented at its foundation in 1962 a coming-together of a number of Mozambiquan nationalist organizations then primarily operating from neighbouring African countries. FRELIMO, under the leadership of Dr. Eduardo Mondlane, a Mozambiquan who had worked at the United Nations and as an anthropology professor in the United States before returning to Africa, requested the Portuguese to grant independence. But the latter had already demonstrated clearly the nature of their rule when, in 1960, at Mueda in Northern

Mozambique, 600 Africans were shot and killed while peacefully protesting Portuguese handling of agricultural matters. Now, to FRELIMO's more concerted and focused demands, the response was again to crack down on African activities, especially in the urban areas. The absolute necessity of military action became perfectly clear to FRELIMO.

FRELIMO prepared for this carefully and began the fighting inside Mozambique on September 25, 1964. Progress in the two northern provinces of Cabo Delgado and Niassa was sufficiently marked by 1968 that FRELIMO was able to launch armed struggle in a third key province, Tete (site of the notorious Cabora Bassa dam scheme), where once again the Portuguese were slowly but surely driven back. Thus, by 1972, most of Cabo Delgado and Niassa and much of Tete could be considered liberated areas. In the same year, FRELIMO also announced the opening of a front in the strategic and densely-populated province of Manica and Sofala in the very heart of Mozambique. Soon the war hovered close to the important port of Beira, broke out in ambushes along the strategic lines of road and rail that linked Rhodesia to the sea, and surfaced even further south. This dramatic advance was perhaps the most important nail to be driven into the coffin of the fascist system in Portugal.

Success in strategic zones spelt doom for Portuguese system

Network of institutions

In Mozambique itself, however, it was merely the tip of the iceberg. As in Guinea-Bissau, vast changes were taking place at the base of the movement, among the Mozambiquan people themselves, and it was these changes that actually premised the military advance. As I had occasion to witness for myself when I visited the liberated areas of Tete Province with FRELIMO guerillas in 1972, there existed an impressive network of participatory institutions right up from the village level, as well as the rudiments of social services (health, education and the like), which were more obviously designed than in most societies to meet the real needs of the mass of the people. Even more impressive was the establishment of new economic practices: co-operative institutions for marketing and distribution, for example, and the beginnings of collectively-based production in the villages. In every sphere, there was the effort to pre-empt the temptations towards élitism and entrepreneurial aggrandizement that have created an unbridgeable gulf between leaders and people in many other parts of Africa. There was a further dimension. FRELIMO remained as ready to accept genuine assistance from



A FRELIMO patrol in Mozambique marches a group of Portuguese and African prisoners to Nametil Barracks, where they

were held hostage for an exchange of prisoners.

such sources as the Swedish, Danish, Norwegian and Dutch Governments and the World Council of Churches as from Eastern countries. But the implications of the involvement of NATO and of multinational corporations on the side of the Portuguese were not lost upon Mozambiquans. There thus developed a healthy scepticism about Western involvement in Africa — an anti-imperialist perspective — that has had a significant impact upon the movement's definition of its goals.

This clarity of vision about the necessity of a radical approach to development — a clarity that should also find expression in egalitarian and self-reliant policies in the post-independence era — did not come easily to FRELIMO, of course. Around the time of Mondlane's assassination in 1969 (also effected by the Portuguese), there was a struggle for control of the movement between conservative and radical elements. Yet it was the radicals, with their strong popular base, who soon carried the day, and then worked to reinforce the exemplary patterns described above. After the *coup*, the Portuguese had little choice, ultimately, but to come to terms with a force so firmly grounded. In early September 1974, a FRELIMO delegation led by the movement's President, Samora Machel, met with an official Portuguese delegation in Lusaka, and an agreement was concluded that would bring Mozambique its independence within a year.

Almost immediately, a transitional government was established, with FRELIMO clearly in command, occupying two-thirds of the positions created and with Joaquim Chissano, a senior FRELIMO official, serving as Premier.

This provisional ruling group is, in turn, to provide the core of the government that assumes full power in Mozambique on June 25, 1975 — when Samora Machel will, in all probability, become the first President of the country. It is true that there remain continuing threats to any such smooth transition. Nevertheless, it should prove difficult to reverse a process that has shifted the situation so dramatically in the direction of a free and FRELIMO-led Mozambique. Similarly, there are great challenges in store for the post-independence period — challenges arising, in particular, from the need to correct the distorted economic legacy left by the Portuguese. Yet here again the Mozambique revolution has found in FRELIMO a popular and ideologically mature political expression that will not easily break its promises to the people of Mozambique or lend itself to manipulation by outside forces.

Similar roots in Angola

The struggle against Portuguese colonialism in Angola had similar roots to the struggles in Guinea-Bissau and Mozambique and, in fact, was the first to reach

*Radicals won
1969 power struggle
within Frelimo*

the stage of violent opposition to the violence of colonialism. The Movimento Popular de Libertacao de Angola (MPLA) had been organized as a nationalist movement in 1956, but was driven underground by the harassment of PIDE, the Portuguese political police; in 1960, for example, 200 Africans were killed or wounded at Catete while demonstrating peacefully against the arrest, public flogging and imprisonment of Dr. Agostino Neto, a prominent leader of MPLA. Then, early in 1961, a series of dramatic events finally brought the Angola situation to the attention of the world. Resistance to enforced cotton-growing in Kasanje led to "Maria's War" — overt action by peasants in the area. At about the same time, MPLA attempted to free political prisoners being held in Luanda, the capital. The Portuguese response to these February initiatives, and to a rebellion in Northern Angola launched by the Uniao de Populacoes de Angola (UPA) a month later, was particularly ruthless. It has been estimated that from 30,000 to 50,000 Africans died in the savage Portuguese "pacification" program that followed these events. Yet at this stage the African challenge was largely spontaneous and localized. The mounting of co-ordinated and effective guerilla warfare was to take more time and to face real set-backs.

At first the UPA (later named the Frente Nacional de Libertacao de Angola — FNLA) seemed the most active agent of Angolan nationalism and continued for a time to have a marginal guerilla presence in the north. But, under the self-serving leadership of Holden Roberto, its strength was sapped by too close ties to Mobutu's Congo (and hence to American influence) and too narrow an identification with a particular ethnic base, the Bakongo people. The Uniao para la Independencia Total de Angola (UNITA), a third movement that emerged with Jonas Savimbi's splitting-away from UPA in 1964, did try to launch a struggle in Eastern Angola intended to be more closely linked to popular aspirations and popular participation. While the extent of its success remained a matter of controversy for many years, most observers agreed that, up to the time of the *coup*, it remained very small and had been effectively stalemated. Nevertheless, both of these movements remained in existence and are now a part of the complicated post-*coup* situation in Angola.

Of greater significance has been MPLA itself, which regrouped and began to demonstrate renewed strength. At first it concentrated its activities on the small enclave of Cabinda, but logistically Zam-

bia's independence in 1964 was a key development, since the preliminary mobilization of the people could begin in the eastern regions of the country and fully effective guerilla warfare could be launched in Moxico district in 1966. Soon the struggle had been pushed into ten of Angola's 15 districts, and MPLA found itself not only able to weather the storm of various general offensives launched by the Portuguese but also to make steady advance against a Portuguese deployment of some 60,000 troops. Moreover, a number of outside observers (like the eminent British Africanist, Basil Davidson) testified to the fact that a new society was indeed coming into existence in the liberated areas of Angola, just as it had in Guinea-Bissau and in Mozambique, and that the movement was drawing further political strength from this fact.

At the same time, it must be noted that the logic of protracted struggle has failed to express itself as unequivocally in Angola as in the other Portuguese African colonies. Even within MPLA, there has been considerable factionalism, Dr. Neto's hold upon the Presidency being only recently confirmed after the intervention of Tanzania's President Nyerere and others to reconcile three warring groups. Moreover, it is clear that such factionalism (both within and between the liberation movements), and the ethnic rivalry that it also tends to stimulate, have been encouraged by other interests. For Angola has long been the richest of Portugal's African outposts. Multinational corporations like Gulf Oil and Krupp are active there, and a large white settler group is also pressing energetically for a continuation of its privileges. Although the present Portuguese Government, which is much more firmly committed to decolonization since the resignation of President Spínola, seems serious about beginning a process of transition towards independence, the disarray on the African side has provided those who oppose African freedom with an opportunity to manipulate the situation. Even if attempts to forestall African control do fail, there will be those who seek merely to facilitate the expression of some lowest common denominator of African assertion, those who wish to find a neo-colonial solution that pares away as many as possible of the revolutionary implications of liberation in Angola. Nonetheless, it can be hoped that, whatever the difficulties, the continuing efforts of Africans to reconcile their differences and clarify their goals will bear fruit. Then the two-year period the Portuguese have set for the realization of Angola's independence could

*Emergence
of new society
in Angola*

*African disarray
gives opponents
opportunity
to manipulate
transition*

become a period of renewed and significant accomplishment for the African population.

Encouraging picture

On balance, then, and despite many outstanding problems, the picture in "Portuguese Africa" is a most encouraging one. In Guinea-Bissau and Mozambique, impressive new societies are the apparent result of years of struggle and, even if, in Angola, the situation still seems fraught with danger for the aspirations of the African population, the future has at least been thrown open in an unprecedented manner. Equally important, the degree of success of the liberation movements in these three countries has established an important precedent. For the effectiveness of their assault on white hegemony can

only serve to encourage their counterparts in the liberation movements elsewhere in southern Africa. Revolutionary activities are already further advanced in Rhodesia, Zimbabwe and South West Africa/Namibia than at any previous time. Moreover, for all South Africa's complex socio-economic configuration and imposing repressive apparatus, it is clear that the savage regime there is increasingly to be challenged in related manner. One hopes that the Canadian Government's recent initiative—qualified though it is in many ways—to aid the liberation movements indicates that, as the situation escalates, Canada will be less prone to withhold its approval of the violent and revolutionary means that are a necessary component of the struggle for freedom on Southern Africa.

Canadian attitudes towards southern Africa: a commentary

By Cranford Pratt

In recent years a significant number of Canadian academics, churchmen and volunteers who have worked in Africa have been outspoken in their criticism of Canadian policies towards southern Africa. The Canadian African Studies Association, despite the fact that, as a learned society, it has been reluctant to take a political position, did so for the first time on a southern Africa issue at its February meetings in Halifax. The Canadian University Service Overseas has for a number of years called for a more just Canadian policy towards southern Africa. Other major bodies, in which these men and women form but a small minority, have voiced similar criticisms; these include the Canadian Council of Churches, the Anglican Church, the United Church, the Presbyterian Church, the Canadian Catholic

Organization for Development and Peace, the YWCA of Canada and the Canadian UN Association.

These, of course, are the very groups in Canadian society that ask that Canada's foreign policy operate within the moral constraints of Western liberal tradition. We, their members, are, to make the same point in a different and less elegant way, "the bleeding hearts". Yet this opposition to official Canadian policies is comparatively new. During the Pearson régime most of us who had had African experience as missionaries, volunteers or academics had some measure of confidence in Canadian policies in Africa. We felt that there was a real basis for the high regard in which Canada was held in Africa. Canada had been a strong and early friend of Ghana, had played a prominent role in the events that led to South Africa's decision to withdraw from the Commonwealth, had banned the sale of arms to South Africa and Portugal and had joined the more recent members of the Commonwealth in demanding that there should be no independence in Zimbabwe (Rhodesia) before majority rule.

This earlier confidence has gone. The "constituency of informed Canadians" is now, as the resolutions of many national organizations illustrate, profoundly critical

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In the wake of the Portuguese coup d'état, demonstrations and rioting have marked life in Lourenço Marques, capital of Mozambique. In the above photograph blacks and whites are shown demonstrating their joint support in April for the new

Portuguese military junta. Later in the year, the black and white populations were involved in separate demonstrations and riots as fear of control by the other group seized the community.

of Canadian policy towards southern Africa. There has been no full and open retreat by Canada but, on issue after issue, when the time came to move beyond the rhetoric of anti-racism and anti-colonialism, we saw our Government waver, hedge and procrastinate. This happened in 1971 over the UN reaffirmation of the "no independence before majority rule" policy in regard to Zimbabwe and in 1972 concerning the proposed constitutional settlement for that country. It was demonstrated, as well, in Canada's response to the advisory opinion on Namibia of the International Court of Justice calling on all nations "to refrain from any acts and particularly any dealings with the Government of South Africa implying recognition (of its rule in Namibia) or lending assistance" (to that rule) and to the several UN General Assembly resolutions about economic relations with South Africa and the Portuguese colonies.

We have come to see Canadian policy towards southern Africa not in terms of an absence of rhetoric and a quiet, determined pursuit of liberal and humanitarian objectives but rather in terms of a highly audible liberal rhetoric that is combined with a diplomacy that is either inactive or is quietly pursuing objectives that are narrowly self-seeking. I write this not to parade a self-righteousness that perhaps comes easily to those who carry no responsibility but to make it clear that in my

judgment the opposition that has developed is deeply felt, and is based on close study.

Why is it that the judgment about southern Africa of a centrist Government should diverge so sharply from the judgment of a substantial body of informed Canadians? I would identify two areas in which the disagreement is perhaps most profound.

The first disagreement concerns our attitude towards the liberation movements. A major historical process began in 1947 when India gained its independence. In the course of this process, hundreds of millions of people round the world have regained their right to live free of foreign rule. That process has faltered in southern Africa. There, alone among the colonial powers, Portugal sought to perpetuate its rule. There also, in Zimbabwe and South Africa, white minority communities continue their authoritarian and racist rule over the indigenous majorities. Gradually, as a result, armed African resistance developed. These liberation movements are not tiny bands of tribal warriors. They are major popular movements with the most powerful cause a movement can have in the contemporary world — the desire of people to be free of alien and unjust rule.

Canada has been slow to recognize the legitimacy of the struggle of the liberation movements and slower still to assist them in any way. Instead, Canadian policy has

Portugal alone sought to perpetuate colonial rule

*Legitimacy
recognized
but violence
deplored*

had these three features. The Canadian Government condemns *apartheid* and colonial rule and has expressed the judgment, in a Government White Paper, that these white regimes will struggle to the bitter end to preserve their privileges. Secondly, despite a belated Canadian recognition of the legitimacy of the liberation struggle, Canada has continued to deplore the use of violence by Africans as they seek to gain their rights. Thirdly, Canada has continued to seek to benefit from the better-than-average trade and investment opportunities that white oppression has made possible in southern Africa.

In the context of white-dominated southern Africa, to deplore violence is to suggest that Africans should not resort to armed struggle in a situation where alternative means to remove grave injustices have failed and are no longer open to them. It is, in fact, to recommend surrender.

The profound ambivalence in the official Canadian position is revealed in Canada's handling of the question of aid to the liberation movements. The Canadian Government has always refused such assistance. However, it finally supported a Commonwealth conference decision last year that member countries should help those struggling for their freedom in southern Africa. The aid program it then proposed — but which has not yet been implemented — reveals what we critics regard as a minimal compliance with that commitment to the Commonwealth.

In five important ways, the policy that Mr. Sharp announced differed very significantly from parallel policies of the Netherlands, Norway, Sweden, Denmark and Finland, to which it bore similarities. First, the Canadian Government will not deal directly with the African leaders of the liberation movements. In contrast to this, senior officials and ministers of each of these five countries have recently visited Africa for detailed discussions with leaders of liberation movements to sort out with them how to provide the most effective forms of non-military aid.

Secondly, these countries provide this aid directly to the liberation movements. In contrast, Canadian aid will be provided to Canadian voluntary agencies that have acceptable humanitarian projects in southern Africa. The centrality of the liberation movements is thus blurred by the Canadian program while it is recognized by the programs of these other nations.

Thirdly, Canada alone has stipulated the rigid condition that its aid cannot involve the transfer of money to the liberation movements.

Fourthly, Canadian aid will reach

southern Africa only to the extent that voluntary agencies are able to produce projects and, presumably, can provide the matching grants that CIDA's program of non-governmental aid requires. This means, therefore, that a technique that elsewhere in the world provides marginal supplementary aid to direct Canadian aid is, in the case of southern Africa, to be relied upon entirely for all the aid Canada plans to offer outside of its multilateral programs.

Finally, these restrictions are bound to keep the total sums involved very low. Swedish aid to the liberation movements is to a total of \$10.7 million next year. Finnish aid will be approximately \$2.5 million; Dutch aid is to total \$4 million. The only indication I have seen of the sums that are likely to be involved in the Canadian program is Mr. Gerin-Lajoie's recent comment: "You can bet it will not be in the millions." It is a safe bet he recommends.

Since the announcement of this timid aid program, the Portuguese revolution has occurred and the liberation movements are in process of coming to power in Mozambique and Angola. In 1969, Nyerere asked, "if Canada cannot support our struggle, will it at least be able to refrain from giving comfort and help to those who deny freedom and dignity to us?" So far as the Mozambique and Angola struggles were concerned, to their very conclusion the Canadian answer to Nyerere's plea had been negative. Canada continued to be a major importer of Angolan coffee and oil even though these purchases were directly aiding the Portuguese war effort. Canada never used the forum of NATO to press Portugal to end its colonial rule in Africa. Canada has never sought to dissuade Canadian investors from involvement in these areas. On the contrary, it appointed an honorary trade commissioner in Luanda in 1973, and officially promoted trade with the Portuguese colonies to the very end of the colonial wars.

This leads to our second basic criticism of Canadian policy towards southern Africa. Canada has condemned racism and oppression in South Africa but has continued to benefit from it economically and, by so benefiting, has reinforced the economic power and resilience of the regime. Canada has thus increased South Africa's capacity to oppress and has helped to sustain the self-confidence of the oppressors. We who argue in this way accept the fact that every foreign policy must have built into it a cut-off point at which principles must be sacrificed to preserve economic well-being. No state can be com-

*Canada refuses
to deal directly
with African
liberation leaders*

pletely idealistic, but few are likely to sacrifice principles for negligible and minor gains. Canada, however, has so far opted for this latter materialist extreme. Our trade with South Africa is neither significant nor important. The total Canadian exports to South Africa are only one-half of 1 per cent of Canada's total exports. Yet the Canadian Government is constrained from recommending any significant policy application of its affirmed concern for social justice. The Government has thus consciously placed a price-tag on the social and political values Canadians might expect their foreign policy to reflect. It is a price-tag that is pitifully small and almost inconsequential to the broad economic welfare of this nation.

The policy recommendations that recur in the statements and recommendations of informed and concerned Canadian organizations include the following:

(1) That South Africa should no longer be given preferential access to the Canadian market. South Africa left the Commonwealth in 1961 partly at Canada's instigation. It is ludicrous that Canada still extends to South Africa this Commonwealth preference. It is humiliating that, when Canada finally lifts these preferences, it will do so as a consequence of the General Agreement on Tariffs and Trade and not as an indication of any desire to limit economic involvement with South African racism.

(2) Canada should follow the lead of the Scandinavian countries, the Netherlands and the World Council of Churches, and directly provide humanitarian assistance to the liberation movements of southern Africa.

(3) Canadian investment in Namibia should be entirely stopped. The Canadian Government has taken the correct position that the continued rule of South Africa over Namibia is illegal under international law. The International Court of Justice has given an advisory judgment to that same effect. Yet Canadian companies continue to invest in Namibia, co-operating with and paying taxes to a regime the Government of Canada regards as illegal. Worse still, Canadian mining operations continue to deplete Namibian natural resources before a government of its own people can determine its policies and benefit from the royalties.

(4) Canada should discourage further investment in South Africa. The Canadian Government must stop trying to separate its trade and investment policies in South Africa from its foreign policy. When the Aluminum Company of Canada builds a border industry, when the Bank of Mont-

real, the Canadian Imperial Bank of Commerce and the Toronto Dominion Bank join an international banking consortium to lend \$70 million to the South African Government, when Falconbridge Nickel Mines engages in extensive exploration and mining in Namibia, these activities are more significant than Canada's rhetorical condemnation of *apartheid*. In fact, compared to Canada's "cool but correct" political position, Canadian trade policies are the only policies of significance in regard to South Africa.

The case for the first three of these four recommendations is, perhaps, self-evident. Some, however, including Mr. Sharp, have argued that the Canadian investor in South Africa is an agent of progressive social change. They point to the fact that, as a result of high investment-rates, there has been an increase in the numbers of semi-skilled and skilled jobs being filled by Africans in a wide range of manufacturing industries. This is important, but its significance as far as white supremacy is concerned is easily exaggerated. The commitment to white domination has meant that the employer has always been careful to insure that all his white employees remain in positions that are superior to those held by Africans. Thus, while this process involves some Africans performing jobs that previously have been reserved for whites, it in no way involves an undermining of *apartheid*, of job reservation or of white domination. What is occurring is an upper adjustment of the line that divides blacks from whites. However, there has not been any blurring of the line separating the races. Far from representing a significant crack in *apartheid*, it merely illustrates the regime's ability to adjust *apartheid* to the realities of the supply of white labour. No more than that has happened.

Nor can it be argued that foreign investment will somehow prove more liberal and more significantly reformist in its impact upon South Africa than domestic investment. Foreign investment is and has been extremely important to South Africa. This investment has saved South Africa from severe balance-of-payments problems. It has also permitted South Africa to draw upon the technological advances of Western capitalism, which the South African economy, because of its tiny base, could not itself have hoped to duplicate. Thirdly, heavy foreign investment has shielded South Africa from international isolation. An investor can be counted upon to "put his mouth where his money is". These investors continue to be very effective defenders and allies of the South African

*Some argue
benefits of
Canadian
investment
in South Africa*

*Apartheid
merely adjusts
to realities
of labour supply*

regime within major Western countries.

South Africa provides to foreign investors an opportunity for higher profit rates than anywhere else in the world. It seems able to convince investors that their investment will be secure. Investors in turn are unable to imagine any major redistribution of power in South Africa that would be other than threatening to their investment. Moreover, the foreign investor is closely integrated into the South African system, serving its interests and in no way challenging it. Foreign companies are involved in the development of a highly-sophisticated arms industry, and are conducting the search for oil that would make South Africa much less exposed to international sanctions. A foreign company, Mobil Oil, has built an oil-storage unit near the Zimbabwe border to facilitate the illegal supply of petrol to the Rhodesian regime. Right down the line, foreign corporations co-operate fully with the whole range of *apartheid* policies. They go far beyond the minimum range of compliance with *apartheid* laws. Massey-Fergusson and Alcan have co-operated with a crucial *apartheid* policy by locating major factories in a border area, thus permitting these factories to remain in the white area while the labour force and all the accompanying social costs remain in the African reserves. Ford of South Africa, owned by Ford of

Canada, has co-operated with the regime's preference that factories should not employ Coloureds, Asians and Africans within the same factory, but should, instead, have only one or the other of these employee groups in the same factory. Foreign firms are now beginning to locate branches in South Africa that they hope will be able to export to the independent states of Africa, thus aiding an important South African economic strategy, which, to the extent that it will succeed, will stultify the growth potential within these states.

The conclusion seems unavoidable. One cannot realistically look to foreign investment to provide any significant reforming or liberalizing "input" into South Africa's public or economic life, and certainly none that would be sufficiently significant to counterbalance the reinforcement to the regime that investment entails.

Only in the narrowest and least important sense can it be said that the critical opinions summarized here are unrealistic or naively moralistic. In our judgment it is enormously important that some rich white countries should stand aside from the scramble to cash in on the profit-making opportunities provided by a racist regime in South Africa in order to demonstrate actively and effectively that the Western liberal tradition has not become empty rhetoric.



Canada Wide Photo

Following the overthrow of Portugal's Salazar, the Presidency passed to General Antonio de Spínola, who has since given

way to General Gomez. Spínola is shown here during his tenure as Governor and Commander in Chief of Portuguese Guinea.

Proposed global targets rejected as solution to people puzzle

By Wendy Dobson

The World Population Conference in August marked the first full-scale debate among governments on population matters. Contrary to expectations, the meeting was full of surprises. In view of events at the Stockholm Conference on the Human Environment, and at last spring's special session of the General Assembly on raw materials and development, the nature of the debate should have been more fully anticipated than it was.

Two agendas, not one, existed at Bucharest. The first was prepared by the United Nations Secretariat in response to the 1970 General Assembly resolution calling for the conference. That resolution was concerned with the increasingly-evident problems of rapid population growth. Although two world population conferences had previously been held, in 1954 and 1965, they were convened as technical gatherings and attended by professionals only. The 1974 conference would be attended by governments that would approve an international strategy for dealing with population problems, to complement other UN strategies dealing with food, employment, the environment, technological transfer and the second UN Development Decade. The Population Commission was named the preparatory body, and in 1972 machinery was set in motion to develop a World Population Plan of Action. By spring 1974, the Population Commission released the draft plan for negotiation with governments at UN-convened regional meetings.

Throughout this process, a consensus emerged supporting the document, its backers including Brazil and the United States (which had previously held strong views), the socialist countries, the Asians and Africans and other Latin Americans. Points of controversy persisted over the sensitive topic of target-setting – both for program development and for achieving declines in population growth-rates. In general, however, the document was considered widely acceptable and comprehensive enough to recognize policy options for

everyone's particular population problem. As a result, most delegations arrived in Bucharest expecting consensus.

The second agenda at Bucharest also had its origins in the UN system. Concern with reordering international economic relations to serve better the interests of the developing nations has been the subject of three UNCTAD conferences since 1964. It has also been a growing concern in the General Assembly with the emergence of the Algeria-led Group of 77 and the Declaration and Program of Action on the Establishment of a New International Economic Order accepted by the sixth special session of the General Assembly last spring.

These concerns were brought to Bucharest, and formed a different framework within which to view population problems and population policy. In addition, Argentina, which last spring changed its population laws to stimulate population growth, largely for security reasons, came laden with amendments to the Plan of Action, designed to de-emphasize the objective of reducing population growth. The Vatican arrived with a fixed position and pressed for a number of changes of similar design. Somewhat unexpectedly, China shared similar convictions in several instances, making for somewhat strange bedfellows.

Central arguments

The central arguments debated at the conference have frequently been misreported. Since they have critical importance for the future of the population field,

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and for development strategy in general, it is important that they be clearly understood. Their essential aspects are as follows:

It was argued that conventional approaches to development had frequently presented rapid population growth as a major obstacle to solutions to problems of poverty. Similarly, conventional interpretations of environmental problems had emphasized rapid population growth as a critical factor in problems of pollution and rate of resource use. It had followed, therefore, that a major element in solving problems of poverty, pollution and dwindling resources was reduction of rapid population growth.

These interpretations were rejected as too narrow in conference debate. It was argued that other factors were as important as population growth, but had often been ignored. We could solve problems of poverty more directly, it was argued, by better distribution of resources, international distribution in particular. Furthermore, it was pointed out, if standards of living were more equal among nations, we could not only support the present world population but even the 6.5-7 billion projected for the year 2000. The argument also asserted that, as a result of more serious development measures and better resource and wealth distribution, high fertility rates would subsequently decline. Problems of pollution and dwindling natural resources were also caused by people's consumption patterns, it was stated, and by such factors as lack of planning of urban environments. Curbing wasteful consumption and changing demand patterns could reduce both resource use and pollution.

These arguments have much to commend them. Too often, we have tended to define the development goals of underdeveloped countries in terms of achieving Western living standards, and we have calculated resource requirements while holding our living standard and its rate of increase as a fixed parameter. Following this line of reasoning, since it is impossible to raise all populations on the globe to our levels of living, the obvious alternative is to reduce the numbers to be provided for. But this view no longer holds among the developing nations. Western living standards involving waste and affluence, and the right to maintain such standards, is no longer an accepted element in their thinking. In this context, curbing rapid global population growth was rejected as a major conference objective.

It was unfortunate that, in the general reaction against global diagnoses, certain

documented facts were rejected. The draft Plan of Action considered by the conference pointed out: "Although most countries at present have no explicit policies designed to affect their natural growth rates, and several countries wish to increase them, *the majority of the world people, and a large majority of the people of the less-developed regions, live in countries whose governments are attempting, as a matter of urgency, to reduce significantly their rates of population growth*." Although this statement was based on information collected by the UN Secretariat from national plans and official replies to UN questionnaires, and was contained in one of the official conference background papers, it was deleted from the Plan of Action. It should be stressed, however, that rapid growth, if diagnosed as a problem by a particular country, receives much recognition and attention. Emphasis was laid on the diversity of national problems and on the importance of each country defining its own problem. This is healthy development. It is in the countries themselves that solutions must ultimately be found; the conference was to recommend internationally-acceptable policy options from which governments could select. And many governments, particularly in Asia, define rapid growth as a major development problem.

Policy options broadened

The conference devoted considerable attention to broadening the policy options for dealing with rapid growth. As politicians and development experts have become increasingly concerned with growth-rate during the past 15 to 20 years, family planning programs have been the major program effort prescribed as a cure. In some cases, there developed unrealistic expectations about the potential demographic impact of such programs. Yet the available evidence indicates that the supply of family-planning programs by themselves do not have the substantial demographic impact sought by nations faced with rapid mortality declines and subsequent rapid rates of increase. More and more, it has been recognized that these programs are demanded and used by people when broader socio-economic change is under way, with consequent increased motivation to reduce traditional family size.

Thus it was argued at the conference that population problems must be viewed in their socio-economic context. Both development and demographic measures must be used to influence population variables. The mixture of the two will vary

Debate over importance of population growth on development

Pollution and resource problems tied to consumption patterns

with the national or regional setting. It was emphasized that population policy consists of measures that directly and indirectly affect population variables; and some of these indirect measures are also the common components of broader development programs.

Considering the historical context of population debates, this kind of discussion was inevitable. Doctrinal debate between those espousing “Malthusian” and “Marxist” views was anticipated. Such talk was inevitable considering the heavy emphasis that has been placed during the past decade on family-planning programs as the adequate and necessary means to reduce population growth. In some instances, aid donors have urged family planning on poor nations with a conviction that has encroached on national sovereignty. In this context, the working group responsible for producing the 109-paragraph strategy document, the Plan of Action, rejected a proposal that by 1985 family-planning information and services be made available to all desiring them, and replaced it with an Argentinian phrasing, considered more acceptable, recommending that all countries “encourage appropriate education concerning responsible parenthood and make available to persons who so desire advice and means of achieving it”. Despite the rejection of the target-date, the right of “all couples and individuals” to decide freely and responsibly the number and spacing of their children and to have the information, education and means to do so (whether to achieve a larger or smaller family size), was included in both the prescribed principles to be followed in formulating population policy, and in recommendations on specific policy options to influence reproductive behaviour.

Quantitative targets for reducing population growth were rejected by the working group. For example, the use of projected declines in population growth-rates that could result by 1985 was rejected (projected rates for 1985 are: developing countries 2 per cent, developed countries below 0.7 per cent and global 1.7 per cent). Similarly, in a paragraph encouraging governments to set quantitative targets and formulate population policies for reducing growth that hampers development, the reference to targets was deleted. The major arguments given against targets were that national situations were too diverse to summarize in global targets and that their existence created the risk that outsiders would tell countries what they should do.

Subsequently, two other relevant paragraphs were accepted, one pointing out

that the projected declines in growth-rates referred to above would require declines in birth-rates in developing countries by 1985, to 30 a thousand from the present average of 38 a thousand. The other paragraph recognized that achievement of these levels would require substantial national efforts in socio-economic development and population policy. This was balanced by recognition of the need to give equal emphasis to increasing life expectancy.

Then, after two of the closest votes in the session, the following paragraph was adopted: “In the light of the principles of this Plan of Action, countries which consider their birth-rates detrimental to their national purposes are invited to consider setting quantitative goals and implementing policies that may lead to the attainment of such goals by 1985. Nothing herein should interfere with the sovereignty for any government to adopt or not to adopt such quantitative goals.” Following the rejection of a move to delete the phrase “by 1985”, China suggested addition of a further qualifying rider noting the undesirability of uniform-growth goals; but this, too, was rejected by a very close vote.

These votes show the sensitiveness of the subject. But the notion of targets remains, to be adopted by individual countries as they see fit. It is not useful to attach too much importance to rejection of absolute levels. Very few countries aspire to high growth-rates, since there is no evidence that, in developing economies, high rates of population growth promote attainment of economic growth objectives. Most countries acting in their self interest wish to reduce growth-rates.

Family planning not enough

The central issue that remains, however, is *how* to achieve reduced growth-rates. Development policies and population policies are inextricably linked. People living in traditional subsistence agricultural environments know only too well the characteristics of their environments: high infant death-rates, traditional sex roles, high illiteracy rates, grinding persistent poverty, total dependence on the vagaries of climate – to name some of the most obvious. In such settings the idea of influencing one’s destiny, of planning for the future, is foreign. The family is a precious resource; control or planning is anathema. Until changes occur in the wider environment – inevitable if true development is under way –, the idea of reducing family size so that each child may benefit more from the fruits of change, is alien – not to mention irrational. Who would have few children if the risk of losing them persisted?

Close votes reflect sensitivity on targets

*Prescription
for social change
spelled out*

This presents a stubborn public policy dilemma. We know that family-planning programs, while desirable ends in themselves, also have some demographic impact. And we know that much remains to be done to effectively and efficiently deliver such services to all desiring them. But what measures are there to use in addition? What aspects of development strategy influence population factors and fertility in particular? The working group talked in general terms about the importance of equity in international economic relations. In the Plan of Action, more specific prescriptions for social change included the following: provision for greater participation of women in the development process; measures to reduce infant mortality; achievement of better income distribution; promotion of universal educational opportunities for the young; elimination of child labour; establishment of old-age security; establishment of a minimum age for marriage; and the strengthening of health and family-planning services delivery. It is also recommended "that countries wishing to affect fertility levels give priority to implementing development programs and educational and health strategies, which, while contributing to economic growth and high standards of living, have a decisive impact upon demographic trends, including fertility...". But no one knows how much more must be put into educational or health programs, or into which parts of them, to bring about desired fertility declines. Even with massive programs, the resultant change in attitudes is a long-term process. Many countries, particularly in Asia, do not have time before current imbalances between population trends and resources result in rising death-rates. In such situations, large-scale family-planning programs continue to be a major policy instrument to accelerate population change.

*Time has run out
for correction
of imbalances
between resources
and population*

The expansion of knowledge in this area will involve much better understanding of the factors that influence family size in different developing-country settings. This implies a much greater research effort by social scientists in these countries themselves. The list of changes referred to above constitutes a feasible starting-point. Some measures, such as creating alternative roles for women, education of the young, establishment of old-age security schemes, are possibilities that could alter significantly the costs and benefits of additional children. None has been adequately studied in search of public-policy measures that are both economically and administratively feasible.

The primacy and immediacy of pop-

ulation growth, exacerbated by the gloom predictions of disappearing food-stocks did not completely overshadow other aspects of population problems considered by the conference. The working group of the Plan of Action attached considerable importance to the reduction of mortality, urbanization and aspects of international migration — particularly the problems of the migrant workers.

One of the heaviest votes in the working group occurred in the discussion of the relation between development and mortality reduction. By a vote of 48 - 47, with 11 absentions, the Group decided that mortality declines should be achieved with "massive" social and economic development rather than "accelerated" development. In its consideration of ways to influence internal migration, adverse aspects of urbanization were accorded prominence. These were attributed in large part to the dependent position of developing countries in the international economic system. Emphasis was also placed on finding ways to improve conditions in rural areas to stem the rural-urban drift. It was pointed out that urban problems resulted as much from consumption patterns as from the concentration of population.

Plan's purpose

The major purpose of the Plan was to recommend policies to influence population variables. As a result, it contains little on how to provide for the population expected in the years ahead. The majority of the present global population of 3.9 billion are young people. Even if all couples entering fertile ages during the next 25 years have only two children — almost completely unlikely —, we shall number nearly 7 billion by the turn of the century. Demands on resources to feed, clothe, educate, house and employ these additions will be considerable. Drawing on their own experience, the Chinese introduced the principle that "of all things in the world people are the most precious", to emphasize the importance of viewing human populations as resources, not liabilities. Argentina stressed the importance of enhancing our efforts to increase food supplies and orienting development planning to develop human resources. The United Nations was asked to begin monitoring population trends, the signal for much-needed research on the implications of current population trend and policies. But these are only beginnings. At present, our ability to provide even for the needs of existing populations looks exceedingly inadequate.

Wide publicity has been given, particularly in the North American press, to un-

even representation in conference proceedings of the range of national views of population problems. It has been argued that the urgency of current world food-shortages makes the refusal to debate world-wide action to reduce population growth look irresponsible, even ludicrous. Did the rhetoric at Bucharest mean anything?

An important conclusion is that there are differing prescriptions for world's social and economic problems. The conference's de-emphasis of population control can easily be misread and over-generalized as the slogan "Look after development and population will look after itself". This may be true in thinly-populated countries, with natural resources. The danger exists, however, that other countries may be reluctant, in such an atmosphere, to take more direct measures. Yet the real message was that, in de-emphasizing the universality of population-control prescriptions, the intent was to gain greater balance — to emphasize instead that population policy consisted of a range of measures, both explicit and implicit. Each country must choose its own combination. Further elaboration of national and regional measures to implement the Plan of Action will be undertaken in each of the major regions early in 1975, when UN-sponsored regional consultations will be held.

Plainly, the results of the conference present dilemmas to aid agencies whose main objective is to provide family-planning assistance. These are tangible, direct programs, albeit based on Western ideas, which appeal to harried decision-makers looking for simple ways to reduce population growth. Emphasis by developing countries on the less-direct measures will be costly, both to population and development agencies. Resource-allocation decisions will become more difficult. In addition, demands will be made on budgets for research, and for other pressing population problems, particularly those relating to rapid movements into cities, human settlements, and problems of infertility. Resources are also needed to set up population units to facilitate long-overdue integration of population considerations into development planning. If there is to be greater national commitment to solving population problems, every country must relate population to resources in a much wider sense than they are doing now.

The Canadian role

Canada's statement to the conference, presented by the Honourable Jeanne Sauvé, was balanced and thoughtful. It indicated Canada's appreciation of some of the complex issues debated in the conference

arising from the interrelations among population factors and development, natural resources, the environment and the family. The statement recognized several important principles: that population factors were closely related to other aspects of development and that measures to influence or contend with population trends involved structural and institutional change; that we must seek greater efficiency in resource utilization in national production and consumption activities; that fundamental human freedoms must be observed in the formulation of population policy. It was also pointed out that Canada would be willing to assume its share of the responsibility for meeting increased needs for international population assistance following the conference.

Let us hope these words were not mere rhetoric, designed for public consumption at the time of the conference. As a result of the conference preparations, Canadians increased their understanding of population policy. Now we must build on the experience to shape a coherent set of domestic policies.

As Mme Sauvé pointed out, a crucial factor in the success of the conference lies in the follow-up activities. There is as yet little evidence of these in Canada. Before the conference, a preparatory exercise, lasting more than six months, included federal interdepartmental, federal-provincial and public consultations. A number of Cabinet-commissioned studies of aspects of Canadian population are under way, and it would have been improper to expect the conference to precipitate the formulation of domestic policy. But the preparatory activities created for the first time a mechanism for consultation among the many federal departments with population-related concerns. This process of consultation must not be allowed to die after the conference. Instead, it must become focused more on substantive questions of domestic policy that fall into two major areas: those that influence population events and those that contend with population trends. The Plan of Action recommends that each country create and place "at a high level of the national administrative structure" a unit dealing with population aspects of policy. Surely the time is overdue for the creation of co-ordinating mechanism in Canada. Its location should be strategic, so that it can co-ordinate relevant policies in different departments, monitor trends and provide consultation to the provinces.

The lack of priority accorded domestic policy constrains the role we can play on the international scene at a time when

*Follow up
crucial
to success
of conference*

increased assistance is of high priority. The world is in the midst of a complex of crises in which population factors play a major role in many developing nations. The volume of requests for international assistance is increasing at a rapid rate, outstripping the resources available through the United Nations Fund for Population Activities, the major multilateral channel,

which the developing nations support with enthusiasm. Canada should follow through on the offers of additional assistance made at the conference. Not to do so would confirm the emptiness of our words: a time when international confidence in rich nations is already at a low ebb. It would also be to miss a major point of the conference.

The political economics of the Bucharest debate

By André Lux

Much has been made of the fact that official delegations from nearly 140 governments and international agencies were brought together in Bucharest for two weeks in August 1974 to discuss the world's population problems in relation to the other great problems that beset mankind. The event has been hailed as a success all the more remarkable since the very idea of such a gathering would have seemed improbable as recently as 1968. It is quite true that there has been a change of awareness. Could it have been brought on by a discovery the implications of which have been realized and then brought to world-wide attention at a speed made possible by the technology of mass communications? To be sure, pollution and its harmful effects on the environment were not included in discussions about population before 1970.

And yet pollution is only a new element added to a very old file; but now the file is being scrutinized by masses of people the world over, rather than by a small number of experts and the committed few. Malthus drew heavily on this file and gave his name to it at the beginning of the last century. This was the time of the great

changes and upheavals that marked the first phase of the Industrial Revolution in England, which by comparison made the rest of Europe and the world appear fragile and under-developed. This period, when the benefits of economic growth were still meagre and poorly distributed, was also characterized by the first great wave of population growth. The conjunction of these two phenomena was not without influence on Malthus, for it gave evidence of what might be termed over-population relative to insufficient development. Over-population is always relative to something. It was particularly relative to Malthus' excusable ignorance of the level of abundance that the industrialization of Europe and North America would produce 150 years later.

Thus stands the analogy between Malthus's time and the present; it is an analogy that has both resemblance and dissimilarity. It is often said that Malthus wrote too soon, that he was mistaken in his predictions for the countries that are wealthy today, but that he was an excellent prophet of the misfortunes that are in store for us at the end of the present century. From this point of view, 1972, with the appearance of *The Limits to Growth*, could well recall 1798 and the first edition of the celebrated *Essay on the Principle of Population*.

The resemblance ends here, however, and the dissimilarities between the two eras begin to appear in all their complexity. Malthus was speaking at the dawn of an industrial revolution that was to make the West fabulously wealthy; Meadows, on the other hand, haunted by a recent trip to India, writes at a time when the same Western world is being smothered by the



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physical and mental pollution of an overabundance that threatens to exhaust the world's vital resources and promotes, not the development but actually the under-development, of the Third World. This endemic under-development is accompanied by the second great wave of population growth in countries that are sinking further into poverty; in such countries, the underprivileged classes will soon no longer have anything to lose in a general revolution.

It was in this wider context that the World Population Conference in Bucharest was prepared and staged. In the socio-economic deliberations that took place there, the population factor once again assumed the importance that it had had among the classical economists of the last century and that it should never have lost. Even though separate international conferences have dealt, and will deal, with the environment, resources, population, food and housing, the record of these conferences to date clearly shows how closely the various factors are interrelated. It is for this reason that the conferences are linked together like successive rounds in a great contest between the countries with high and low standards of living. The confrontation is focused on the way in which the casual relation between the above-mentioned factors is to be viewed. It took a very political turn in discussions between government delegations at the Bucharest Conference, because of the enormous interests at stake.

Industrialized West worried

The conference owes its origins to the anxiety caused by the sudden acceleration in population growth after 1950. Malthus had been disturbed by a much smaller growth-rate, which had increased from 0.5 per cent at the beginning of the eighteenth century to 1 per cent at its end. Approximately the same pace was maintained during the nineteenth century and the first half of the twentieth; since then, it has increased steadily, reaching 2 per cent a year in the present decade. Unlike the English pastor, today we can immediately appreciate what the increase in the population, combined with the actual or possible rise in its standard of living, represents in terms of the increased world-wide demand for goods and services. This increase is all the more disturbing to observers because they are at the same time acutely aware of the excessive consumption of natural resources by the wealthy countries.

In what way do these excesses relate to the Third World? We need not be concerned with preventing the unfortunate

consequences of excessive consumption from occurring there; this would be truly premature. The relation is twofold. On the one hand, there is the almost automatic neo-Malthusian response, which sees population growth as a very important factor – or even the main one, the scapegoat – in the problems faced by our wealthy societies. By a spontaneous extrapolation, population growth is considered as an evil in itself for the Third World, to which must be preached the virtues of zero population growth – especially since this state will take a great deal of time to reach, owing to what may be called demographic inertia. While some observers would like to see zero population growth in the industrialized countries combine with zero economic growth in order to put a stop to the squandering of scarce and non-renewable resources, they tend to see a population growth-rate of or approaching zero as a necessary prerequisite for Third World countries that wish to move out of their condition of under-development.

The second aspect of the relation is less often expressed, more subtle but undoubtedly more fundamental. The Third World countries loom on the horizon as a growing menace to countries with high standards of living. There are a number of aspects to this menace, although not all of them are necessarily taken into consideration by those – ordinary citizens, intellectuals and politicians – who feel menaced. Some worry that, in their desire to develop themselves along Western lines, the havenot countries will actively contribute to ecological deterioration and compromise recent efforts to restore the physical environment of our planet. Others are afraid that this same desire for development will accelerate the rate at which non-renewable and difficult-to-replace resources are exhausted. These two fears are in the Malthusian tradition of pessimism, which sees the future only in terms of decreasing yields, or at least refuses to count technical progress as a guaranteed resource of the future.

Another fear is much more political in nature, and concerns the evolution of power relations between the industrial nations, especially the Western ones, and the Third World. Up to now, the high standard of living in the wealthy countries has been made possible partly by the fact that raw materials have been available at ridiculously low prices, thus encouraging waste. The continued existence of the social and economic systems in these countries seems to depend on a guaranteed cheap supply of raw materials, so that any challenge to this arrangement by the under-developed

*Menace of
Third World
seldom expressed*

*Dampening
the aspirations
to independent
development*

countries providing the raw materials is seen as a direct and intolerable threat. And, indeed, this challenge will continue to build as population growth and political pressures for internal development make it more imperative for Third World countries to control their own resources. Thus the strategy of certain industrialized countries displays an all-too-ready tendency to dampen this political aspiration toward autonomous and independent development (as opposed to dependent economic growth). Unfortunately, this strategy has a subtle effect on population trends. For, in fact, in the absence of an integral development program, the mass of the rural and urban poor and underprivileged are bounded by the limited horizons of a hand-to-mouth existence, whereas, in order to adopt more enlightened and less short-term procreation habits, they need to feel that there is hope of improving their lot. At the present time, it is psychologically and sociologically impossible for them to plan their future or, more specifically, to lengthen the intervals between childbirths.

Thus we are caught in a vicious circle: the maintenance of privileged access to the world's resources presupposes a more or less conscious strategy of maintaining the world-wide status quo, coupled with the use of tactics to stifle consistently demands for a new world economic order. In this context, development aid policies are basically ineffective. Consequently, not only are the conditions lacking for a spontaneous change in population patterns but the governments of under-developed countries often resist policies designed to reduce population growth. Bucharest all too clearly brought this reaction to light. As a result, population growth in the Third World will probably slow down only slightly during the coming decades.

This unchanging pattern of population growth is disturbing in the extreme to planners in the dominant countries, who see it as inevitably leading to upheaval on a world-wide scale in the next half century. Population pressures, accentuated by insufficient economic development, must necessarily result in a situation in which the extreme of poverty becomes explosive and breaks through all the bulwarks erected by conservative or insufficiently progressive governments with the support of "development aid" (aid for "communications" systems, for example) or military aid.

Third World governments ambivalent
It is at this point that the ambivalent position of the Third World governments comes into focus. In terms of international

relations, they are resolutely progressive, stressing the priority of development, demanding an end to neo-colonialist meddling and similar kinds of interference and calling for the establishment of a new international economic order. And yet, on the domestic level, development requires profound structural reforms that these same governments have almost always passed over in silence. For example, at Bucharest they had the second part of Paragraph 29 of the draft of the World Plan deleted; the omitted passage was the following: "Countries that wish to affect fertility levels may do so by means of measures that affect the socio-economic determinants of desired family size. This may imply major social, institutional and structural reforms that can affect the entire society." The setting of the passage makes it clear that it refers to national situations, but the same governments that are calling for a new international economic order do not wish to hear any mention of a new internal economic and social order.

This refusal was clearly in evidence at the preparatory conference in San José, Costa Rica where the Economic Commission for Latin America had submitted for discussion by the various governments a very-well-constructed working paper that among other things, pointed out that "the close inverse relationship between the levels of socio-economic stratification, on the one hand, and the fertility rates and average family size, on the other, poses the problem of social classes as a central issue of a population strategy", claiming that "the way income is distributed, the group among which it is distributed, the economic and social functions of those groups and the amount of power they possess to accumulate and retain income are all factors which help to define the nature of the prevailing social order". The only delegation that ventured to allude to this remarkable document during a full week of deliberations was no other than the one from Canada. In refusing to promote strenuously the domestic reforms necessary to improve the future prospects of the masses living in poverty, the governments of many under-developed countries are more or less unconsciously condemning themselves to succumb sooner or later to the effects of the irresistible population pressures mentioned above; in the meantime, a number of these governments will continue to underestimate the pressing reality of their population problem, the future dimensions of which may very well appear to them only when it is too late.

While many Third World governments bear their own — all too often misunder-

*Resistance
to policies of
population
reduction*

stood — share of the responsibility for the world population situation, the governments of the industrialized countries, especially the most powerful ones, were undoubtedly even more responsible for making the Bucharest Conference a dialogue of the deaf. This judgment may seem too severe, though it does not deny the positive aspects of the conference, which Wendy Dobson discusses in the other article on this topic. It is, for example, indicative that, in spite of the fact that delegates constantly reaffirmed the need for integrating population policies with development planning, not the slightest effort was made to work together to find concrete ways of bringing about this integration.

Indeed, the conditions necessary for a true dialogue were absent. The following example will serve as an illustration: a number of delegates from Western countries expressed great regret that the World Plan proposed at the beginning of the conference was subsequently watered down; in particular, they deplored the suppression of the quantified objectives relating to reduction of fertility. Moreover, they accepted the principle that a population policy must be an integral part of a development policy, to which wealthy countries must contribute. They refused, however, to commit their countries to quantified criteria for development aid. Under these circumstances, how could the Third World delegates at Bucharest take them seriously? The United States in particular does little for its credibility when it begins crusading for the reduction of fertility for the sake of the welfare of families living in poverty in Third World countries.

If the spokesmen for one or more industrialized countries, speaking in plenary session or in the Working Group on the Plan, had solemnly recognized the logical (but not necessarily chronological) priority of development, with its practical political implications for economic structures and international aid, a breakthrough could have been made and an unproductive deadlock overcome. The Third World governments would then no longer have been able to sit in their seats so comfortably, since their share of responsibility for the under-development of their peoples is not inconsiderable; they could also have concentrated a little more attention on the specifically demographic aspect of the present situation and the future of their countries, in accordance with the purpose of the Bucharest Conference.

Unfortunately, this was not the case. While the conference created a certain awareness of the population problem as a constituent element in the problem of

under-development and development, this awareness did not come close to reaching the level required to deal with the urgency of the present situation, considering the impossibility of making rapid changes in the rate of population growth. Without going as far as the French agronomist René Dumont, who speculates about what future generations will think of a population conference that was held at the dawn of the greatest famine in history and refused to recognize it, one may agree that it is certain and regrettable that the delegations from the Third World governments, with the exception of the one from Bangladesh, showed no sense of urgency with regard to a situation that, apparently, does not arouse in them any impulse toward self-criticism. The governments of the industrialized countries do not admit that they have greatly contributed to this insensitivity by being insensitive themselves to the urgent need for a radical change of strategy with regard to the Third World. It is paradoxical that, in an advanced capitalist society, where long-term planning is thought to be natural, it is generally forgotten that wealthy countries carry on more trade than poorer ones, and that it would therefore be wise to allow the have-not countries to develop more freely according to their own plans if we wish to increase the number of good trading partners for the twenty-first century. It is too optimistic, even naive, to expect political and business leaders to plan ahead 20 years or more.

*Lack of urgency
in face of
greatest famine
in history*



Horst, Cologne Express

'... and there's still opposition to the Pill'

If God be for US ...

William F. Buckley on the UN

By David S. Wright

The announcement that the American delegation to the twenty-eighth United Nations General Assembly in 1973 would include William F. Buckley, Jr., noted debater, author, television personality and spokesman of the political right in the United States, was greeted with enthusiasm by those familiar with his style and conscious of the impact he might have at the UN. The enthusiasm was rooted not in sympathy with Mr. Buckley's well-documented political views but in the anticipated entertainment value of his participation in the theatre of the Assembly. At minimum, it was hoped that his polished wit might bring new life to a staid and ponderous institution. *The New York Times* added to the sense of anticipation in a rare tongue-in-cheek report on the opening proceedings of the session in which it regretted the absence from the UN scene of the colourful national costumes of yesteryear but noted one exception — Mr. Buckley, resplendent in his native attire of a conservative suit, button-down collar and rep tie.

One must be somewhat sceptical regarding the initial conclusion Mr. Buckley drew on being offered the appointment that he would be able to bring his own political arguments with him to the floor of the Assembly. Regrettably, but inevitably, little was seen of William F. Buckley, Jr., the debater during the course of the twenty-eighth session. The individual delegate cannot, and presumably should not, rise above the instructions of his government and Mr. Buckley was appropriately tamed during his tenure. This

must have been a considerable task, as his views on the UN (and on foreign policy in general) are, if not eccentric, then at least unique. He has been a strong opponent of United States participation in the UN and has suggested, for example (in *Cruising Speed*), that the most appropriate ambassador the United States could send to the organization would be a deaf-mute. More seriously, since the vote in 1971 to admit the People's Republic of China, he has argued that the United States should abstain from all voting at the General Assembly, because to participate in the vote involves the United States in the outcome of, and lends credence to, proceedings wherein a "hostile" majority of socialists and Third World countries is able to override American arguments with ease.

United Nations Journal: A Delegate's Odyssey provides consolation to those who had higher hopes for Mr. Buckley's UN sojourn. It is an extremely amusing book reasonably accurate and carefully researched, and it gives a vivid picture to the outsider of the life of an American delegate at a General Assembly. To the insider, Mr. Buckley's description of his encounters with the venerable and loquacious Ambassador Baroody of Saudi Arabia would in itself make the book worth while. Most studies on the UN tend either to be excessive in their praise of the organization and its ideals, or too contemptuous of what the author considers the failure of the UN to solve international problems. Alternatively they are simply boring to read (*Hammaraskjold* by Brian Urquhart is a remarkable exception). Mr. Buckley's book suffers from none of these drawbacks. He grasps at the outset what many seem to miss, that the UN literally can do no more to solve global problems than the sovereign states comprising it wish it to do. The failings of the UN are the failings of its members; the organization is simply a process for multilateral diplomacy. Mr. Buckley's scepticism and his inclination to be awed by nothing lead to a report on the UN which is interesting and plausible.

Although he does appear to have been somewhat converted by his experience at the UN, one must recall the perspective Mr. Buckley brings to an analysis of the

Buckley's initial conclusion draws scepticism

Mr. Wright is First Secretary at the Permanent Mission of Canada to the United Nations in New York. He has been a foreign service officer since 1968, and served in Rome before joining Canada's UN mission in September 1972. He is a graduate of McGill and Columbia Universities and last contributed an article to International Perspectives for the May/June 1974 issue. More recently, he contributed an article on the UN University to the October issue of University Affairs. The views expressed in this article are those of the author.

issues he dealt with at the Assembly. His views on attitudes expressed by governments at the UN are based on a rather narrow set of preconceptions, those of a doctrinal, conservative American, an individual whose views in an American, let alone a global, context are considered extreme.

Ideologically, he found himself in the company of South Africa and Portugal (the Portugal of 1973) and he saw the bulk of the Third World and some Western countries, not to mention the socialist states, as being hostile to the United States at the UN. In his book Mr. Buckley has drawn up an interesting analysis of a number of selected General Assembly votes. Member states are graded on whether they voted with the U.S.A. or "against" the U.S.A. and are then ranked. (Canada, incidentally, ranks thirteenth on the list of 134 countries, having voted with the United States one more time than it voted "against"). The problem with this analysis is that it assumes some kind of American standard one is either for or against. In fact, what delegates generally must consider is a specific proposal or principle that their government is able to support, that it opposes or that, falling somewhere between those two, causes it to abstain. Voting in favour of a resolution the United States votes against does not necessarily imply voting against the United States.

Mr. Buckley clearly feels very keenly opposition to the United States in an international forum. One must sympathize with his frustration over the assumptions that apply in debate on some questions, however — notably human rights —, a subject for which he was in part responsible. Certain groups of countries seem to be exempt from criticism in UN debate in the human rights field, while a handful tend to bear the burden of such criticism. The main critics are usually from those very countries that, by some strange convention, are seldom attacked for their own internal policies, countries in which human rights seldom figure in decisions by authorities in power.

Mr. Buckley is uncomfortable with the fact that the vote of Burundi is equal to that of the United States in the General Assembly. One must put into perspective what decision-making in the General Assembly constituted in comparison with decision-making in the real world. The decisions that influence international political relations most significantly are clearly those of the great powers. International economic questions are settled largely by countries wielding economic

power, collectively or individually. The General Assembly provides perhaps the only world forum in which the weak and the poor may speak out as sovereign equals on the great political and economic issues of the day. Indeed, one of the UN's major accomplishments has been to make it possible for over 80 states that have acquired independence since 1945 to express this independence. This assertion of sovereignty provides a defence for the weak against political and economic imperialism, and a basis for their claim to a share of the world's wealth. There are few illusions that votes on General Assembly resolutions will have direct and immediate impact on world events. Political will to implement resolutions by those in a position to do so is the necessary requisite for action. Thus, while the votes of countries in the General Assembly are equally distributed, the power to implement the proposals adopted is not.

There is a certain degree of moral pressure brought to bear on a country that is consistently isolated in UN votes, and occasionally such pressure may have a gradual impact on the policies of the government concerned or on the country itself. Portugal is a case in point.

The one-country-one-vote provision of the UN Charter has its most significant impact when decisions are taken that affect the UN itself, notably on questions related to membership and financing of, or participation in, the UN system. The admission to the UN of the People's Republic of China replacing the representatives of Taiwan is one example; the reduction of the United States share of the UN budget to 25 per cent is another. These decisions, which affect the functioning of the organization and which have broader political implications as well, have much more impact on events than the many hortatory resolutions that are adopted each year.

Mr. Buckley was perhaps somewhat mellowed by his experience at the UN. His book is not unfriendly to the institution, and he has subsequently spoken of his experience as a delegate with noticeable pride. He agrees that there are many positive elements of the UN system, the sincere efforts of the Secretariat and the Specialized Agencies, the accomplishments of the organization in the economic sector and the importance of multilateral diplomacy in complementing bilateral efforts in keeping the peace. And yet Mr. Buckley is not corrupted by his experience. His scepticism and incisiveness are applied to the full in this witty and entertaining journal.

*Will to implement
resolutions
prerequisite
for action*

*Buckley mellowed
by experience
as UN delegate*

Patterns of Canadian UN policy were being set in Korean conflict

By Arthur Menzies

The Korean War may appear to many as a receding episode of the Cold War in a remote corner of the world. It flared like a brush-fire for a year after the North Korean attack on June 25, 1950, then smouldered for another two years until the Korean armistice agreement of July 27, 1953. Over 25,000 Canadians served in Korea during this period; 300 were killed and 1200 wounded or injured. It also stirred up great flurries of diplomatic activity at the UN in which Canada was much involved. Professor Denis Stairs has examined this episode with clinical thoroughness. He not only provides us with a meticulously-documented record of the diplomatic side of the story but, more important, illuminates the way in which Mr. Lester Pearson used his skills to exercise Canadian influence through the UN on the policies of the U.S.A. The experience gained by all active participants in the diplomacy of the Korean War had considerable influence on their conduct in later events, where analogous factors were at play.

By way of background, Stairs recounts how, in September 1947, the U.S. brought to the United Nations General Assembly the problem of Korea divided at the 38th Parallel into Russian and American military occupation zones in the hope that the deadlock over unification might be resolved. When the General Assembly voted on November 4 to establish a UN Temporary Commission on Korea, Canada was asked to serve on it and Mr. J. L. Ilsley, the Leader of the Canadian delegation, exercising his best judgment on the basis of the advice available to him, agreed

Mr. Menzies is Canadian Permanent Representative and Ambassador to the North Atlantic Council in Brussels. He joined the Department of External Affairs in 1940, and has held a number of appointments as Canadian ambassador and high commissioner to various countries. In November 1950, he was head of the Canadian Liaison Mission in Tokyo, with responsibility for liaison with the forces under General MacArthur's command. The views expressed in this article are those of the author.

that Canada would serve. Stairs gives a detailed account of the subsequent Cabinet-level debate on Canadian involvement in UNTCOK, one which rings true with my own recollections as the responsible desk officer in the Department at the time. On the one side was Prime Minister Mackenzie King, suspicious of big-power manoeuvres, and on the other those, like Mr. St. Laurent, Mr. Ilsley and Mr. Claxton, who believed that Canada should do what it could to enable the UN to play an effective international role. Mr. Pearson, then Under-Secretary, played a skilful backroom role in finding a compromise solution acceptable to all but only after some very deeply felt differences had divided the Cabinet. After UNTCOK observed elections in South Korea, Canada did not take part in the succeeding UN Commission on Korea.

When the North Koreans invaded South Korea on June 25, 1950, Mr. Pearson did not believe that the U.S.A. would intervene militarily because only in January of that year Mr. Dean Acheson had said publicly that Korea lay outside the U.S. defence perimeter in the Pacific. But President Truman regarded the invasion as a Russian-planned or -authorized probe to test the Western will to resist. Stairs expounds the thesis that the U.S. first decided to intervene and then sought endorsement and support from the UN, which it was fortuitously able to obtain because the U.S.S.R. was boycotting the Security Council then. He says that "by acquiring UN auspices for their policies, however and by soliciting the moral and material support of their allies, the Americans exposed themselves to a series of external pressures and constraints".

The central theme of Stairs' book is given on Page 303 as "Canadian policymakers sought to maximize the role of the UN in the politics of the Korean War as a means of imposing multilateral constraints on the exercise of the American power".

In a thoughtful final chapter, Stairs outlines a number of analytical alternatives that may be applied to this historical record. In one he shows what an unfettered role Mr. Pearson played in the diplomacy

Pearson's skills used to exert influence on U.S.

of the Korean War. He criticizes Mr. Pearson's General Assembly speech of September 27, 1951, setting out objectives for the reunification of Korea as "ambitious, belligerent and self-contradictory". He also questions Mr. Pearson for voting for the Assembly resolution of October 7 on the reunification of Korea and shows how he

later backtracked. However, Mr. Pearson's skills as a diplomatist are amply demonstrated in the book as a whole.

For those interested in seeing the patterns being set in Canada's policies in the UN seeking solutions to international security problems, Stair's book can serve as a useful textbook.

United Nations Journal: A Delegate's Odyssey by William F. Buckley, Jr., New York, G. P. Putnam's, 1974.

The Diplomacy of Constraint by Denis Stairs, Toronto, University of Toronto Press, 1974.

Letter to the editor

INDIA'S OPTION...

Sir,

The headline to the Morrison/Page article analyzing India's recent nuclear behaviour (*Perspectives*, July/August 1974) projects an image of India which is not only exaggerated but also untrue. To talk of India as a "world power" is plain nonsense. This theme was outlined by Indians in the late 1940s and early 1950s, but it is not seriously discussed in policy circles in the 1970s. Perhaps Professors Morrison and Page should offer some evidence of "India's ambition to be a world power". India is not a world power, just as China is not, and I wonder if nuclear weapons are really sources of influence in regional conflicts. True, there is international prestige to be gained from the visibility of a nuclear explosion but at the same time "prestige" is a tenuous basis for assessing success in managing foreign policy interests.

Secondly, I am perplexed by the second part of the first paragraph of the article. Two flaws should be noted. (1) If India entertained seriously the idea of becoming a great power — and Nehru's speeches do not express such a conviction clearly (Nehru referred to India's cultural heritage and *potential* importance but also noted Indian weaknesses) — the 1962 crisis changed that focus. (2) In conceptualizing Indian strategies the paragraph reflects a tendency to oversimplify. A non-aligned approach and a nuclear power approach are not mutually exclusive in Indian foreign relations. The only real difference between the 1950s and the 1970s is that now Indians talk and act, whereas in the 1950s they just talked and talked.

Thirdly, I am somewhat confused as to what is meant by the following statement: "but through all this Canada failed to comprehend India's motives and policies" (p. 23). Between 1954 and 1958, certain decisions in principle were made at the ministerial level about external affairs and atomic energy. True, the decision to develop a North American/South Asian focus was based on sentiments shared by Nehru and St. Laurent, including an emphasis on the Commonwealth and an effort to depolarize the Cold War. True, as the authors note on page 25, Canada wanted to advertise its atomic technology program by investing in India. Canadians did not simply stumble into a nuclear relationship with India. Rather, political and commercial considerations were at work. These may have changed today, but that does not mean they did not exist in the 1950s.

The suggestion that Canada failed to comprehend India's motives should thus be carefully assessed. True, Bhabha had considerable foresight and he negotiated agreements which gave India a free hand. But when we talk about "Indian" motives we should be very clear whether we mean the motives of Nehru or those of Bhabha. There is some evidence — albeit not public — which indicates that Bhabha sought nuclear weapons and a deterrence strategy for India, but Nehru was firm against nuclear weapons while sanctioning nuclear projects which could be converted into weapons programs. There is a duality in India's nuclear policy which should be assessed in detail, to note the potential links and discontinuities. One should be careful not to read India's behaviour according to Western cultural and policy experiences. Just because the first nuclear test was the first step in a weapons program for the five nuclear powers does not necessarily mean that it is also the same for India. It may be, but then it may not. There is a real need in the Indo-Canadian dialogue for Canadians — media and university types, officials and ministers — to assess India's behaviour in terms of Indian values so that the psychology of Indian nuclear decision-making can be identified. It seems likely that Indians and Canadians refer to different values and different "decisions" in the past, even though both sides may use a common phrase — for example, "peaceful uses".

Before Indians are blamed for betraying Canada and before Canadians are blamed for misassessing India's nuclear behaviour, there is one point to be faced squarely. The 1956 Agreement did not define the term "peaceful uses". Rather than assume that Canadian ministers and officials did not know what Bhabha was doing, I would assume that Canadians involved in the policy process during 1954-58 had a sound perspective about the implications of the Indo-Canadian atomic relationship. In the other words, something more than Bhabha's word and Canadian assessment of it seems to be involved in our examination — with the wisdom of hindsight — of the 1956 Agreement. There is ambiguity in this Agreement on the question of peaceful nuclear explosions. It neither includes nor excludes PNEs because then PNEs were not real possibilities. The issue just did not exist in a technological or a political form. Surely we cannot blame Canadians — working in a specific policy focus — for failing to discuss things which were then *really* hypothetical? Thus, to argue that "Canada had accepted India's vague promises at face value without relating them to Nehru's earlier condemnation of the principle of international control and inspection of nuclear raw materials and production" (p. 25) is to cast stones at old and experienced diplomats. It assumes that the May 18 test is the first step towards a weapons program. I would like any Canadian to offer evidence that India is making a military effort in the nuclear field. Existing evidence points to research in ballistics and space technology at present and one is hard pressed to offer anything tangible to demonstrate a movement towards nuclear weapons. Editorial writers and trendy image-makers should thus look at the facts before condemning Indians or the naive Canadians.

Fourthly, I am perplexed by the reference to French views on nuclear weapons. Again, I must ask the authors to show that French views have been accepted by Indian decision-makers. The French logic assumes that there is a perceived nuclear threat. This assumption does not make sense in the Indian nuclear debate. It is a common mistake in the West to assume that India's nuclear policy is structured on the centrality of the China problem. Ambassador Trivedi's speeches (during NPT discussions), however, make it quite clear that China is not, in the Indian view, an immediate nuclear threat to India. On August 29, 1974, India's Deputy Defence Minister told the Rajya Sabha (Upper House) in Delhi "we do not expect any nuclear threat from China". True, since the May 18 test is a political rather than a military act, China enters Indian calculations, but the French analogy should not be pressed for the present. If Indians were really nervous about a nuclear China, it would be quite easy for the Indian Government to sell an anti-China rationale for the nuclear explosion. Security-oriented arguments somehow seem to have wider international constituencies.

Finally, on pp. 27-28, I am distressed to note the view that the distinction between a peaceful nuclear explosion and all others is difficult to sustain. This is not true. A distinction is emerging. On March 14, 1967, Soviet Ambassador Roshchin noted in the ENDC in Geneva: "The Soviet Union understands the interests of the non-nuclear countries in the use of nuclear energy in the future for implementing such major projects in the field of economic development as may require the carrying-out of nuclear explosions. . . . In doing so, *we bear in mind that the question of the procedure and conditions governing the carrying-out of nuclear explosions is a separate question that can be settled only on the basis of a separate international agreement.*" (my emphasis)

Article 5 of the NPT, of course, talks of peaceful nuclear explosions within the NPT framework. IAEA panel discussions during 1970, 1971 and 1972 recognized the importance of continuing and intensifying experimentation with PNEs. The Agreement between the United States and the Soviet Union on Scientific and Technical Co-operation in the Field of Peaceful Uses of Atomic Energy, June 21, 1973, notes the need for satisfying increasing energy demands. Finally, the bilateral Soviet-American agreement of July 3, 1974, states:

"The provisions of this treaty do not extend to underground nuclear explosions carried out by the parties for peaceful purposes. Underground nuclear explosions for peaceful purposes shall be governed by an agreement which is to be negotiated and concluded by the parties at the earliest possible time."

Thus, the question arises: If PNEs exist for the super-powers, why does not the same logic hold true for non-nuclear-weapon powers? It seems there is a need for the repair crew of the NPT to renegotiate by making PNEs acceptable for all parties — irrespective of who signed or not. There is, of course, a need to discuss the rules of the game about export of nuclear-explosives technology, but, in view of the rigid posturing which the prolonged NPT discussions produced, it may be better to discuss such rules through private diplomacy without excessive public moralising which international conference diplomacy entails.

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No. 53 (August 27, 1974) Secondment of foreign service officers.

No. 54 (August 27, 1974) Composition of the Canadian delegation to the United Nations Seminar on National Machinery to Accelerate the Integration of Women in Development and to Eliminate Discrimination on Grounds of Sex.

No. 55 (August 28, 1974) Meeting of United States and Canadian officials on the Garrison Diversion Unit.

No. 56 (August 29, 1974) Meeting of United States and Canadian officials on West Coast tanker traffic.

No. 57 (September 17, 1974) Canadian delegation to the twenty-ninth regular session of the United Nations General Assembly.

No. 58 (September 23, 1974) Visit of Mr. Enrique Penalosa, Secretary-General of Habitat: the United Nations Conference on Human Settlements.

No. 59 (October 3, 1974) Canada/U.S. stock-taking meeting on Great Lakes Water Quality Agreement.

No. 60 (October 4, 1974) Parliamentary observers to the twenty-ninth session of the United Nations General Assembly.

No. 61 (October 15, 1974) Canadian delegation to the eighteenth general conference of UNESCO.

No. 62 (October 25, 1974) Visit of the Vice-President of Niger.

Statements and Speeches, published by the Information Division of the Department of External Affairs, Ottawa.

No. 74/9 NATO's Twenty-fifth Anniversary, a Year of Revitalization. An address by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, to the Atlantic Treaty Association, Ottawa, September 9, 1974.

No. 74/10 Conference on Security and Cooperation in Europe at a Decisive Stage. A statement by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, at the Banff 74 International Conference on Slavic Studies, September 6, 1974.

No. 74/11 Two Urgent UN Problems: Peace-keeping and the Control of Nuclear Proliferation. A speech by the Sec-

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Guyana

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In force March 28, 1974

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Tegucigalpa, September 3, 1974

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Ottawa and Rabat, November 13, 1973 and March 12, 1974

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Done at Kyoto, Japan, May 18, 1973

Signed by Canada with reservations
April 19, 1974

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Done at Geneva, June 27, 1973

In force June 27, 1973

Entered into force for Canada June 18, 1974*

Protocol of Execution of the Agreement on the GARP Atlantic Tropical Experiment

Done at Geneva, December 28, 1973

In force December 28, 1973

Entered in force for Canada June 18, 1974

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Done at Geneva, April 11, 1973

Signed by Canada April 11, 1973

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Partially in force September 1, 1974**

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Done at Brussels, June 11, 1968

In force September 5, 1969

Canada's Instrument of Accession deposited July 24, 1974

Entered into force for Canada October 24, 1974

*Canada became a participating state by the exchange of notes between the Governments of Canada and the Republic of Senegal, at Dakar, May 3 and June 18, 1974.

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